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83D CONGRESS
1ST SESSION

H. R. 992

IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1953

Mr. BROWN of Ohio introduced the following bill; which was referred to the Committee on Government Operations

A BILL

For the establishment of the Commission on Organization of the Executive Branch of the Government.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of Congress to promote economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government by—

(1) limiting expenditures to the lowest amount

consistent with the efficient performance of essential services, activities, and functions;

(2) eliminating duplication and overlapping of services, activities, and functions;

(3) consolidating services, activities, and functions of a similar nature;

(4) abolishing services, activities, and functions not necessary to the efficient conduct of government;

(5) defining and limiting executive functions, services, and activities;

(6) eliminating services, functions and activities more properly within the jurisdiction of state and local governments;

(7) eliminating nonessential services, functions, and activities which are competitive with private enterprise;

(8) postponing expenditures during periods of heavy defense commitments where deferral will not impair essential functioning of government;

(9) defining responsibilities of officials; and

(10) relocating agencies now responsible directly to the President in departments or other agencies.

ESTABLISHMENT OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH

SEC. 2. For the purpose of carrying out the policy set forth in section 1 of this Act, there is hereby established

a commission to be known as the Commission on Organization of the Executive Branch of the Government (in this Act referred to as the "Commission").

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) NUMBER AND APPOINTMENT.—The Commission shall be composed of twelve members as follows:

(1) Four appointed by the President of the United States, two from the executive branch of the Government and two from private life;

(2) Four appointed by the President pro tempore of the Senate, two from the Senate and two from private life; and

(3) Four appointed by the Speaker of the House of Representatives, two from the House of Representatives and two from private life.

(b) QUALIFICATION OF MEMBERS.—Of each class of four members appointed under paragraphs (1), (2), and (3) of subsection (a), respectively, one member, if available, shall have served on the Commission established pursuant to the Act entitled "An Act for the establishment of the Commission on Organization of the Executive Branch of the Government", approved July 7, 1947.

(c) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a Chairman and a Vice Chairman from among its members.

QUORUM

SEC. 5. Seven members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6. (a) MEMBERS OF CONGRESS.—Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) MEMBERS FROM THE EXECUTIVE BRANCH.—The members of the Commission who are in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) MEMBERS FROM PRIVATE LIFE.—The members from private life shall each receive $75 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and

other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 7. The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of the civil service laws and the Classification Act of 1923, as amended.

EXPENSES OF THE COMMISSION

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this Act.

EXPIRATION OF THE COMMISSION

SEC. 9. Ninety days after the submission to the Congress of the report provided for in section 10 (b), the Commission shall cease to exist.

DUTIES OF THE COMMISSION

SEC. 10. (a) INVESTIGATION.—The Commission shall study and investigate the present organization and methods of operation of all departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the government to determine what changes therein are necessary in their opinion to accomplish the purposes set forth in section 1 of this Act.

(b) REPORT.—The Commission shall make a report of

its findings and recommendations to the Congress not later than February 1, 1954.

POWERS OF THE COMMISSION

SEC. 11. (a) HEARINGS AND SESSIONS.—The Commission, or any member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(b) OBTAINING OFFICIAL DATA.—The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of this Act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

83D CONGRESS
1ST SESSION

H. R. 992

A BILL

For the establishment of the Commission on Organization of the Executive Branch of the Government.

By Mr. BROWN of Ohio

JANUARY 6, 1953
Referred to the Committee on Government Operations

83D CONGRESS
1ST SESSION

S. 106

IN THE SENATE OF THE UNITED STATES

JANUARY 7 (legislative day, JANUARY 6), 1953

Mr. FERGUSON introduced the following bill; which was read twice and referred to the Committee on Government Operations

A BILL

For the establishment of the Commission on Organization of the Executive Branch of the Government.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of Congress to promote economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government by—

(1) limiting expenditures to the lowest amount

consistent with the efficient performance of essential services, activities, and functions;

(2) eliminating duplication and overlapping of services, activities, and functions;

(3) consolidating services, activities, and functions of a similar nature;

(4) abolishing services, activities, and functions not necessary to the efficient conduct of government;

(5) defining and limiting executive functions, services, and activities;

(6) eliminating services, functions, and activities more properly within the jurisdiction of State and local governments;

(7) eliminating nonessential services, functions, and activities which are competitive with private enterprise;

(8) postponing expenditures during periods of heavy defense commitments where deferral will not impair essential functioning of government;

(9) defining responsibilities of officials; and

(10) relocating agencies now responsible directly to the President in departments or other agencies.

ESTABLISHMENT OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH

SEC. 2. For the purpose of carrying out the policy set forth in section 1 of this Act, there is hereby established a

commission to be known as the Commission on Organization of the Executive Branch of the Government (in this Act referred to as the "Commission").

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) NUMBER AND APPOINTMENT.—The Commission shall be composed of twelve members as follows:

(1) Four appointed by the President of the United States, two from the executive branch of the Government and two from private life;

(2) Four appointed by the President pro tempore of the Senate, two from the Senate and two from private life; and

(3) Four appointed by the Speaker of the House of Representatives, two from the House of Representatives and two from private life.

(b) QUALIFICATION OF MEMBERS.—Of each class of four members appointed under paragraphs (1), (2), and (3) of subsection (a), respectively, one member, if available, shall have served on the Commission established pursuant to the Act entitled "An Act for the Establishment of the Commission on Organization of the Executive Branch of the Government", approved July 7, 1947.

(c) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

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(c) MEMBERS FROM PRIVATE LIFE.—The members from private life shall each receive $75 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and

other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 7. The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of the civil service laws and the Classification Act of 1923, as amended.

EXPENSES OF THE COMMISSION

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this Act.

EXPIRATION OF THE COMMISSION

SEC. 9. Ninety days after the submission to the Congress of the report provided for in section 10 (b), the Commission shall cease to exist.

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SEC. 10. (a) INVESTIGATION.—The Commission shall study and investigate the present organization and methods of operation of all departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government to determine what changes therein are necessary in their opinion to accomplish the purposes set forth in section 1 of this Act.

(b) REPORT.—The Commission shall make a report of its findings and recommendations to the Congress not later than February 1, 1954.

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SEC. 11. (a) HEARINGS AND SESSIONS.—The Commission, or any member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(b) OBTAINING OFFICIAL DATA.—The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of this Act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

83D CONGRESS
1ST SESSION

S. 106

A BILL

For the establishment of the Commission on Organization of the Executive Branch of the Government.

By Mr. FERGUSON

JANUARY 7 (legislative day, JANUARY 6), 1953
Read twice and referred to the Committee on Government Operations

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 24, 1953
For actions of April 23, 1953
83rd-1st, No. 72

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HIGHLIGHTS: House Rules Committee cleared Md. tobacco price supports bill. House committee reported Interior appropriation bill. House committee voted to report insurance bill for cotton exports. Senate committee voted to report bills to study Government organization and intergovernmental relations.

HOUSE

1. APPROPRIATIONS. The Appropriations Committee reported the Interior Department appropriation bill for 1954, H. R. 4828 (H. Rept. 314)(p. 3777). The bill contains $404,863,239, which is $202,473,161 less than the budget estimates and $137,874,262 less than the 1953 appropriations. (For excerpts from committee report, see end of this Digest.)

Rep. Rogers, Mass., said the Appropriations Committee makes too many decisions on legislative matters (p. 3744).

2. TOBACCO PRICE SUPPORTS. The Rules Committee reported a resolution for consideration of H. R. 1432, to provide for price supports on the 1952 crop of Maryland tobacco (p. 3781). It is expected that the bill will be debated today, April 24 (p. D311).

3. RENT CONTROL. Passed, 187-66, H. R. 4507, to amend the Housing and Rent Act of 1947, after adopting a committee substitute which provides for extending general rent control for 90 days (to July 31, 1953) and, in areas found by the President to be critical, providing for rent control until April 30, 1954 (pp. 3744-76).

4. COTTON EXPORTS. The Banking and Currency Committee ordered reported (but did not actually report) H. R. 4465, to amend the Export-Import Bank Act by authorizing war-risk insurance on exportation of cotton, etc. (p. D311).

5. IMMIGRATION. Both Houses received the President's message recommending authority for emergency immigration of 120,000 persons a year for the next 2 years; to Judiciary Committees (pp. 3743, 3806).

6. COST-OF-LIVING ALLOWANCES. Received from the Commerce Department a proposed bill to permit payment of certain cost-of-living allowances outside continental U. S. at rates in excess of 25% of the rate of basic pay; to Post Office and Civil Service Committee (p. 3793).

7. FLOOD CONTROL. Passed without amendment H. R. 4025, to authorize appropriation of $75,000,000 for Army flood-control projects in the Columbia Basin (pp. 3781-91).

8. TAXATION. Rep. Reece, Tenn., recommended additional investigation of tax-exempt foundations (pp. 3776-7).

9. ADMINISTRATION. Rep. McCarthy criticized several department heads, including Secretary Benson (p. 3744).

SENATE

10. SUBMERGED LANDS. Continued debate on S. J. Res. 13, to establish State title to submerged lands, and rejected a motion to set it aside temporarily to take up S. 1081, authorizing temporary economic controls (pp. 3795-806, 3814-65).

11. ORGANIZATION. The Government Operations Committee ordered favorably reported (but did not actually report) S. 1514, to establish a Commission on Governmental Functions and Fiscal Resources, and S. 106, to establish a Commission on Organization of the Executive Branch (p. D309).

12. FLOOD CONTROL. The Public Works Committee ordered favorably reported with clarifying amendments (but did not actually report) S. 261, consenting to the Connecticut River Flood Control Compact (p. D310).

13. ST. LAWRENCE SEAWAY. Sen. Wiley inserted a Milwaukee County Board of Supervisors resolution recommending this project (pp. 3806-7).

14. FORESTRY; CONSERVATION. Sen. Kilgore inserted a Washington Post article, "Tidelands Issue Linked to All Natural Resources," which included a reference to forest resources and the gains made in conservation since 1934 (pp. 3831-2).

15. LAND MANAGEMENT. Sen. Dworshak inserted an Intermountain and Alameda Enterprise editorial praising the choice of Edward Woozley as the new Director of the Bureau of Land Management (p. 3830).

16. ELECTRIFICATION. Sens. Goldwater and Jackson discussed Federal power projects in the Northwest, and their basis for power pricing (pp. 3867-8).

BILLS INTRODUCED

17. FOREIGN TRADE. H. R. 4818, by Rep. Berry, to amend the Tariff Act so as to impose equalization duties upon imports of certain agricultural commodities and minerals, based upon their parity prices; to Ways and Means Committee (p. 3793).

S. 1739, by Sen. Capehart, to provide for continuation of authority for regulation of exports; to Banking and Currency Committee (p. 3807).

18. TAXATION. S. 1745, by Sen. Kefauver, to provide that the sale or exchange of livestock held for draft, breeding, or dairy purposes necessitated by drought conditions shall be treated as an involuntary conversion for income-tax purposes; to Finance Committee (p. 3808).

ITEMS IN APPENDIX

19. APPROPRIATIONS. Speech in the House by Rep. Whitten explaining why cotton-acreage measurement funds were excluded from the 3rd supplemental appropriation bill and urging increased authorization for rural-telephone loans (pp. A2249-50).

PRICE SUPPORTS. Sen. Young inserted a Farmers Union local resolution favoring

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued May 5, 1953
For actions of May 4, 1953
83rd-1st, No. 80

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

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HIGHLIGHTS: Both Houses received President's message recommending commission to study foreign economic policy. Senate committee reported bills to study organization and intergovernmental relations.

SENATE

1. SUBMERGED LANDS. Continued debate on S. J. Res. 13, to establish State title to submerged lands (pp. 4478-585). Sen. Malone urged revision of public-land laws and presented his amendment to cede to the States minerals in public lands (pp. 4488-510).

2. REORGANIZATION. The Government Operations Committee reported with amendments S. 106, to establish a Commission on Organization of the Executive Branch of the Government (S. Rept. 216), and S. 1514, to establish a Commission on Governmental Functions and Fiscal Resources (S. Rept. 215)(p. 4466).

3. EXPENDITURES; PERSONNEL. The Joint Committee on Reduction of Nonessential Federal Expenditures submitted tables showing Federal employment, etc. (pp. 4466-70).

4. FORESTRY. Sen. Watkins inserted an American Camping Association resolution favoring bills to earmark national forest receipts for recreational activities (p. 4465).

5. PRICE SUPPORTS. Sen. Young inserted a Farmers Union local resolution favoring price supports at 90% of parity (pp. 4465-6).

6. MARKETING. Sen. Humphrey inserted a Minnesota Food Retailers' Association resolution favoring the Robinson-Patman Act (p. 4466).

7. FARM INCOME. Sen. Langer inserted a Washington Star article showing decreases in farm income (pp. 4562-3).

HOUSE

8. FOREIGN POLICY. Both Houses received the President's message recommending that a commission be established to review our foreign economic policy. The President

said, "The commission should study all existing legislation and the regulations and administrative procedures stemming from it which bear directly on our foreign economic relations. The review should provide the basis for action during the next session of Congress. Through increasing two-way international trade...we can lessen and ultimately eliminate the heavy burden of foreign aid which we now bear." To H. Foreign Affairs and S. Finance Committees. (H.Doc.138)(pp. 4587-8, 4463.)

9. APPROPRIATIONS. The Rules Committee reported a resolution waiving points of order on H. R. 4974, the State, Justice, Commerce appropriation bill for 1954 (p. 4591).

10. EDUCATION. Received an Ill. Legislature memorial urging the U. S. to reimburse school districts for loss of taxes resulting from Federal ownership or use of land (p. 4591).

11. HAWAII STATEHOOD. Received a Hawaii United Veterans Legislative Committee petition for Hawaii statehood (p. 4592).

BILLS INTRODUCED

12. FARM LOANS. H. R. 4976, by Rep. Ayres, to extend to June 30, 1954, the direct home and farmhouse loan authority of VA under the Servicemen's Readjustment Act; to Veterans' Affairs Committee (p. 4591).

13. MINERALS. H. R. 4983, by Rep. D'Ewart, to define the surface rights vested in the locator of a mining claim hereafter made under the mining laws prior to issuance of patent therefor; to Interior and InsularaAffairs Committee (p. 4591). Remarks of author (pp. A2475-6). Also S. 1830, by Sen. Dworshak (p. 4471).

14. LAND TRANSFER. H. R. 4984, by Rep. D'Ewart, to remove certain limitations upon the purposes for which Miles City, Mont., may use certain land heretofore conveyed to it by the U. S.; to Interior and Insular Affairs Committee (p. 4591).

15. PERSONNEL. H. R. 4986, by Rep. Morrison, to amend the Civil Service Retirement Act to authorize continued employment of persons who have reached retirement age; to Post Office and Civil Service Committee(p. 4591).

16. FARM LOANS. H. R. 4988, by Rep. Rains, to permit Federal land banks to make loans to corporations without limitation; to Agriculture Committee (p. 4591).

17. BUDGETING. H. R. 4990, by Rep. Weichel, "relating to the spending and quarterly payment of appropriations for the executive branch"; to Government Operations Committee (p. 4591).

COMMITTEE HEARINGS RELEASED BY G. P. O.

18. FARM LABOR. Extension of the Mexican farm labor program, H. R. 3480. H. Agriculture Committee.

ITEMS IN APPENDIX

19. PRICE SUPPORTS. Sen. Mansfield inserted Sen. Humphrey's addresses supporting mandatory price supports, suggesting alternative methods of supporting perishable commodities, and criticizing the Secretary, stating "nothing is being done" (pp. A2459-60).

Calendar No. 217

83D CONGRESS, 1st Session | SENATE | REPORT No. 216

ESTABLISHMENT OF A COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

MAY 4 (legislative day, APRIL 6), 1953.—Ordered to be printed

Mrs. SMITH of Maine, from the Committee on Government Operations, submitted the following

REPORT

[To accompany S. 106]

The Committee on Government Operations, to whom was referred the bill (S. 106) to establish a Commission on Organization of the Executive Branch of the Government, having considered the same, report favorably thereon, with amendments, and recommend that the bill do pass.

The committee adopted a number of amendments to the original bill, which are set forth under the section of this report entitled "Committee Action."

PURPOSE

This bill, as amended by the committee, would create a Commission on Governmental Operations, authorized to make studies and investigations of the present organization and methods of operation of all agencies of the Federal Government, and to submit recommendations to the Congress for appropriate action designed to abolish services, activities, and functions not necessary to the efficient conduct of the Government, or which may be found to be in competition with private enterprise. Although the proposed Commission would be similar in composition to the earlier Commission on Organization of the Executive Branch of the Government (Hoover Commission), it would have added authority to study all activities of the Federal Government, and to make recommendations to the Congress and the President relative to changes in Federal programs and policies. Its authority would include not only studies and recommendations for reorganizations and realinement of functions of the Federal Government, but also the elimination or consolidation of duplicating activities, services, and functions.

The proposed title of the Commission in the bill as introduced—Commission on Organization of the Executive Branch of the Government—was identical to the official name of the so-called Hoover Commission. In view of the confusion that might arise in connection with the work of the two commissions, so closely identified and with somewhat similar duties, and of such comparatively recent date, the Director of the Bureau of the Budget recommended that the name be changed. Accordingly, the committee approved an amendment to change the name to the Commission on Governmental Operations.

The committee is also reporting another bill, S. 1514, which proposes the creation of a Commission on Governmental Functions and Fiscal Resources. As originally introduced, this bill would have authorized a study of Federal relations with State and local governments as they relate to grants-in-aid programs. Committee amendments to S. 1514, as reported, will extend the duties of this Commission to cover other areas not included in the original bill in order that reports may be submitted to the President and the Congress on all aspects of State and local fiscal relations and taxation problems, in addition to those relating directly to Federal-aid programs as originally provided. In view of the committee action extending the scope of this proposed Commission, S. 1514 has also been amended to change the name of this Commission to the Commission on Intergovernmental Relations.

It is believed that these changes are more descriptive of the functions vested in each of the Commissions, and will avoid confusion as to their areas of activity. The committee desires to stress the fact that every effort has been made to allocate the duties of each of the Commissions in such a manner as to avoid conflicts or duplications. While the proposed Commission on Governmental Operations may find it necessary to conduct studies and make recommendations which involve some Federal programs relating to State and local governments, in areas other than fiscal, taxation or Federal aid, it is not anticipated that this Commission will in any way overlap or duplicate the studies and recommendations to be made by the Commission on Intergovernmental Relations.

PROVISIONS OF S. 106

Under the amended bill, the Commission on Governmental Operations would be empowered to make studies and recommendations to the Congress, to promote economy, efficiency, and improved public service with respect to the following matters: (1) Methods and procedures for reducing expenditures to the lowest amount consistent with the efficient performance of essential services, activities, and functions; (2) eliminating duplication and overlapping of services, activities, and functions; (3) consolidating services, activities, and functions of a similar nature; (4) abolishing services, activities, and functions not necessary to the efficient conduct of government; (5) eliminating nonessential services, functions, and activities which are competitive with private enterprise; (6) defining responsibilities of officials; and (7) relocating agencies now responsible directly to the President in departments or other agencies.

The Commission would be authorized to study and investigate the present organization and methods of operation of all agencies of the executive branch of the Government to determine what changes are

necessary to accomplish the various objectives set forth in the bill. The Commission is required to submit interim reports from time to time, as it deems necessary, to submit a comprehensive report of activities and the results of its studies to the Congress on or before December 31, 1954, and its final report not later than May 31, 1955, at which date it would cease to exist. In its final report the Commission is authorized to propose such constitutional amendments, legislative enactments and administrative actions as in its judgment are necessary to carry out its recommendations.

The Commission would be composed of 12 members, 4 to be appointed by the President of the United States, 2 from the executive branch and 2 from private life; 4 to be appointed by the President of the Senate, 2 from the Senate and 2 from private life; and 4 to be appointed by the Speaker of the House of Representatives, 2 from the House and 2 from private life. Of each class of 2 members not more than 1 is to be appointed from each of the 2 major political parties. A Chairman and Vice Chairman would be elected by the Commission from among its members; vacancies would not affect its powers and would be filled in the same manner in which the original appointment was made; 7 members would constitute a quorum; service of an individual as a member, or employment by the Commission of attorneys or experts in any business or professional field, would not be considered as service or employment bringing such individuals within the conflict-of-interest statutes.

Members of the Commission from either the legislative or executive branches of the Government would serve without additional compensation, but members from private life would receive $50 per day when engaged in the actual performance of their official duties, and all members of the Commission would receive reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties of the Commission.

The Commission would be authorized to appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of the civil-service and classification laws, and is also authorized to procure, without regard to such laws, temporary and intermittent services at rates not to exceed $50 per day.

The Commission, or any member thereof, may hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such member may deem advisable. Any member may administer oaths or affirmations to witnesses appearing before the Commission. Finally, the Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of this act, and each such department, agency, etc., is authorized and directed to furnish such information, directly to the Commission upon request made by the Chairman or Vice Chairman.

HEARINGS

Hearings on S. 106 were held on April 14, 1953. Testifying in support of the bill were Senators Robert A. Taft, of Ohio, and Homer Ferguson, of Michigan, Representative Clarence J. Brown, of Ohio, former Representative O. K. Armstrong, of Missouri, and Lambert

H. Miller, general counsel to the National Association of Manufacturers. The Honorable Herbert Hoover submitted a telegram urging approval of the bill, and the committee received letters and statements from various interested persons and groups in support of the measure.

There has been no opposition to the bill, and testimony revealed virtual unanimity on the part of all witnesses and members of the committee that (1) there is a need for a comprehensive study of duplicating and overlapping activities, organization, methods, administration, functions and policies, with a view to improving Government efficiency; (2) although the earlier Commission (Hoover Commission) performed an important service effectively, many of its recommendations have not been fully implemented, and its authority was limited to a study of organization, methods, and administration; (3) there is a need for a reevaluation of the recommendations of the Hoover Commission to determine further actions required in the light of present conditions; and (4) the Commission should have adequate authority, as proposed in the bill, to examine not only all of the governmental operations previously examined by the Hoover Commission, but also Federal functions, programs and policies as well.

The committee is in accord with the views of Senator Ferguson, sponsor of the subject bill, who testified that—

> the original Hoover Commission did an outstanding job, but its activities were limited to a study of the efficient conduct of the activities of the Government and it did not make recommendations on the important question of whether or not the Government should perform a given activity or service. * * * Herein lies an enormous field which has not reached the close and overall scrutiny which is essential if we are to keep the size of our Government within bounds of reason and its cost within the means of our citizens * * *. The cost and the size of our Government can best be reduced by cutting down the things which the Government does. The mere process of reorganization, because of its nature, cannot reduce the size of Government or its burden on the taxpayer by more than a few percent. Reorganization cannot strike at the heart of the problem of big Government.

In comparing the authority of the Commission proposed by S. 106 with that of the Hoover Commission, Senator Ferguson pointed out that—

> With only a few exceptions, the language of S. 106 is identical with the language of the statute which created the original Hoover Commission on Organization of the Executive Branch of the Government. The most important difference between this bill and the Hoover Commission statute is found in the declaration-of-policy section. These paragraphs are intended to make certain that this Commission has full power to look into the activities of the Federal Government from the standpoint of policy and to inquire, "Should the Government be performing this activity or service, and if so, to what extent?" This Commission must ask questions of this nature which the original Hoover Commission did not ask.

Representative Clarence J. Brown of Ohio, who sponsored a companion bill in the House of Representatives, testified that—

> The thought behind the legislation Senator Ferguson and I have introduced has been * * * not only to carry on the work of the Hoover Commission on Government organization, * * * but to go into certain fields that the Hoover Commission itself could not go into. * * * In other words, the Hoover Commission was limited to the study of the Government structure, that is, of the executive department, and as to how we could make it work more efficiently and more economically to do the things that it was doing, and not to pass upon whether or not it should be done at all, or whether some other things should be done, or some other ways should be thought of. * * * We did not have the power to recommend a complete elimination or abolition of an activity, but only

"Inasmuch as you are doing so and so, here is the best way to do it, the most efficient way."

In a telegram to the committee, the Honorable Herbert Hoover urged approval of the bill, and stated that—

> The Ferguson-Brown bill looks to the reestablishment of such a commission on organization of the executive branch of the Government as that over which I presided from 1947 to 1950, with powers to investigate and recommend policies as well as administrative methods. That former Commission was unable to report on policy questions.

COMMITTEE ACTION

The committee considered S. 106 in executive session on April 23, 1953, at which time Mr. Joseph M. Dodge, Director of the Bureau of the Budget, presented the views of the administration, both as to the original bill and with respect to amendments incorporated in the bill as reported. After due consideration, the committee adopted the following amendments:

Section 1.—In its original form, section 1 established as congressional policy for the Commission, 10 basic objectives which the Commission was to follow in carrying out its duties. Two of these were found to constitute a possible interference with executive and legislative prerogatives as related to the budgetary process, and one was found to be redundant or otherwise unnecessary.

Paragraph 1, which originally established an objective of "limiting expenditures to the lowest amount consistent with the efficient performance of essential services, activities, and functions" was amended to provide that the Commission recommend "methods and procedures for reducing" such expenditures. In adopting this amendment, the committee accepted the view of the Director of the Bureau of the Budget, to the effect that the original language might permit interference with budgetary practices and policies. Paragraph 8, which provided for the postponement of expenditures under certain circumstances, was eliminated for the same reasons. Paragraph 5, which provided for defining and limiting executive functions, services, and activities, was eliminated as surplusage, being adequately provided for in other paragraphs of this section.

In addition, paragraph 6, which authorized a study of Federal-State relations with a view to "eliminating services, functions, and activities more properly within the jurisdiction of State and local governments," was eliminated in order to avoid any conflict in duties and scope of the Commission on Intergovernmental Relations, as proposed under the provisions of S. 1514, authorizing a broad overall study of Federal-State-local relations.

The remaining paragraphs in section 1 were renumbered to conform to these amendments approved by the committee.

Section 2 (a).—In its original form, section 2 provided for the establishment of a Commission on Organization of the Executive Branch of the Government. Since this name was identical to that of the Commission created in the 80th Congress (Hoover Commission), the committee changed the name to "Commission on Governmental Operations" so as to avoid confusion, to indicate clearly that the scope and authority of the new Commission was considerably wider than that possessed by the Hoover Commission, and to simplify differentiation between the two Commissions.

Section 2 (*b*).—As introduced, S. 106 contained no provision for exempting members or employees from the conflict-of-interest statutes. Although the original act which created the Hoover Commission contained no such provision, due to difficulties encountered in connection with the recruitment of qualified personnel for service with the Commission, and at Mr. Hoover's request, Public Law 162, 80th Congress, which established the Hoover Commission, was amended to include such an exemption (Public Law 391, 80th Cong.). Accordingly, the committee held that it was desirable to avoid any problem in this connection by incorporating this exemption.

Section 3.—In its original form, section 3 (b) provided that in each class of 4 members appointed to the new Commission, 1 member, if available, was to be a former member of the Hoover Commission. Although the committee felt that the objectives of this provision were meritorious, it held that it would not be desirable to place such a restraint upon the appointing authorities and this subsection was eliminated. This was in accord with the views of the Director of the Bureau of the Budget, who held that it was too restrictive and that the President should have complete freedom of choice insofar as the four appointments to be made by the President were concerned. While the committee agreed with this point of view, and desired to give all appointing officials a free hand in the selection of members best qualified to serve, it was the general concensus of the committee that the appointing authorities might well consider the inclusion of former members of the Hoover Commission who may be available, so as to give the new Commission the full benefit of their experience and qualifications.

Although the statute establishing the Hoover Commission contained a provision requiring that the members should be appointed on a bipartisan basis, S. 106 did not. In view of the advantages of bipartisanship in this type of an operation, an amendment, which provides that of each class of 2 members to be appointed not more than 1 shall be from each of the 2 major political parties, was approved as a new subsection (b).

Section 6.—Section 6 (c) provided for the payment of a per diem of $75 to members of the Commission from private life when engaged in the actual performance of their duties. Since this constituted a departure from the conventional payment of $50 per day, this subsection was amended to provide for the usual per diem of $50. It was pointed out at the hearings that, although many persons serving in such capacities receive fees in excess of $75 for similar service in private industry, service as a member of the proposed Commission should be considered as a contribution to the Nation, and any individual who would serve for $75 would be equally available at the usual fee of $50.

Section 7.—Section 7 of S. 106 authorized the Commission to appoint and fix the compensation of personnel in accordance with civil-service and classification laws. No provision was made for the procurement of temporary consultants without regard to such laws. Accordingly, a new subsection, (b) was added which gives the Commission such authority. A similar amendment was necessary to the act creating the Hoover Commission (Public Law 391, 80th Cong.), after that Commission was unable to function effectively without such authority.

A perfecting amendment to subsection (a) changed the reference to the Classification Act of 1923 to the Classification Act of 1949.

Section 9.—Since the reporting and termination dates provided in the original bill were amended by the committee in section 10, section 9 was eliminated as being unnecessary.

Section 10.—Section 10 (b) originally provided that the "Commission shall make a report of its findings and recommendations to the Congress not later than February 1, 1954," and section 9 provided that the Commission shall cease to exist 90 days thereafter. Experience has demonstrated that this period will not be adequate to enable the Commission to perform its duties as fully as necessary, and that it is desirable that the Commission be authorized to submit interim reports from time to time. Although the Hoover Commission was required to report to the Congress within 10 days after the convening and organization of the next succeeding Congress after its creation, (July 7, 1947, to January 13, 1949) it was necessary to extend the time for completion of its work by an additional period of 60 days (H. J. Res. 448, 80th Cong.).

Accordingly, section 10 (b) was amended to authorize the Commission to submit interim reports "at such time, or times, as the Commission deems necessary" and to require the submission of a comprehensive report of its activities and the results of its studies to the Congress on or before December 31, 1954, with a final report to be filed not later than May 31, 1955, at which time the Commission will cease to exist. With the adoption of this amendment, section 9 was eliminated as unnecessary. The committee held that the date prescribed in the original bill for its termination would not provide sufficient time for the Commission to organize and complete its studies and recommendations. It was also the view of the committee that it would be desirable to have the Commission continue to function at least for a limited time after submission of its final report in order that members of the Commission might be available to committees of the Congress in connection with consideration of legislation submitted to carry out its recommendations.

An additional sentence was added to this subsection authorizing the Commission, in its final report, to propose such constitutional amendments, legislative enactments and administrative actions as in its judgment are necessary to carry out its recommendations. This was added because the committee believes that concrete proposals in legislative form would be far more effective, and more clearly indicate the scope of the proposed reorganization or legislative changes, than the mere submission of recommendations.

The committee also adopted a number of minor amendments of a technical or perfecting nature, consisting largely of renumbering of sections and subsections made necessary by the adoption of the substantive amendments previously described.

CONCLUSIONS

In a report issued by this committee on January 9, 1953, entitled "Senate Action on Hoover Commission Reports" (S. Rept. No. 4, 83d Cong.), it was pointed out that the Hoover Commission reports demonstrated the value of independent bipartisan commissions in developing facts and submitting recommendations to the Congress

for appropriate action, based on studies of national problems by qualified public-spirited citizens of the Nation.

The report called attention to specific instances where the Hoover Commission had recognized in its reports the difficulty of separating policy from reorganization. In its concluding report, the Commission observed that it had "not been concerned with matters of substantive policy," but had "focused its attention mainly on how efficiently present services were being performed, rather than on the question whether they should or should not be performed." This report also cited a number of Hoover Commission recommendations involving substantive policy rather than reorganizations, which were held to be beyond its authority. This conclusion was confirmed by witnesses appearing before the committee in support of S. 106, and by former President Hoover, who stated that the new Commission should have powers to investigate and recommend policies as well as administrative methods, pointing out that the former Commission was unable to report on policy questions.

It is the view of the committee that S. 106, as amended, will provide for the broad study of governmental operations which is so urgently needed at this time. Unlike its predecessor, the proposed new Commission will be authorized to investigate and recommend not only with respect to organization, methods, and administration, but also as to the need for changes in Federal functions and policies as well. Such a study, in the opinion of the committee, will add materially to the efficient functioning of the Government and may effect substantial savings in its operations and improve Federal services to the people of the Nation.

In recommending approval of S. 106, as amended, the committee desires to stress the view that such action is not intended to interfere in any way with any reorganization programs that may now be under consideration by the President. If approved by the Congress, the Commission would not be required to submit its findings and recommendations until December 31, 1954, and its final report until May 31, 1955. Reorganizations which are presently under consideration by the President, or the Congress, proposing further streamlining and reorganizations of the executive branch of the Government should not, in the opinion of the committee, be delayed unnecessarily pending the submission of these reports.

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Calendar No. 217

83D CONGRESS
1ST SESSION

S. 106

[Report No. 216]

IN THE SENATE OF THE UNITED STATES

JANUARY 7 (legislative day, JANUARY 6), 1953

Mr. FERGUSON introduced the following bill; which was read twice and referred to the Committee on Government Operations

MAY 4 (legislative day, APRIL 6), 1953

Reported by Mrs. SMITH of Maine, with amendments

[Omit the part struck through and insert the part printed in italic]

A BILL

For the establishment of the Commision on Organization of the Executive Branch of the Government.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of Congress to promote economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices,

independent establishments, and instrumentalities of the executive branch of the Government by—

(1) ~~limiting~~ *recommending methods and procedures for reducing* expenditures to the lowest amount consistent with the efficient performance of essential services, activities, and functions;

(2) eliminating duplication and overlapping of services, activities, and functions;

(3) consolidating services, activities, and functions of a similar nature;

(4) abolishing services, activities, and functions not necessary to the efficient conduct of government;

~~(5) defining and limiting executive functions, services, and activities;~~

~~(6) eliminating services, functions, and activities more properly within the jurisdiction of State and local governments;~~

~~(7)~~ *(5)* eliminating nonessential services, functions, and activities which are competitive with private enterprise;

~~(8) postponing expenditures during periods of heavy defense commitments where deferral will not impair essential functioning of government;~~

~~(9)~~ *(6)* defining responsibilities of officials; and

~~(10)~~ *(7)* relocating agencies now responsible directly to the President in departments or other agencies.

ESTABLISHMENT OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH

SEC. 2. *(a)* For the purpose of carrying out the policy set forth in section 1 of this Act, there is hereby established a commission to be known as the Commission on ~~Organization of the Executive Branch of the Government~~ *Governmental Operations* (in this Act referred to as the "Commission").

(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) NUMBER AND APPOINTMENT.—The Commission shall be composed of twelve members as follows:

(1) Four appointed by the President of the United States, two from the executive branch of the Government and two from private life;

(2) Four appointed by the President ~~pro tempore~~ of the Senate, two from the Senate and two from private life; and

(3) Four appointed by the Speaker of the House of Representatives, two from the House of Representatives and two from private life.

~~(b) QUALIFICATION OF MEMBERS.—Of each class of four members appointed under paragraphs (1), (2), and (3) of subsection (a), respectively, one member, if available, shall have served on the Commission established pursuant to the Act entitled "An Act for the Establishment of the Commission on Organization of the Executive Branch of the Government", approved July 7, 1947.~~

(b) POLITICAL AFFILIATION.—Of each class of two members appointed in subsection (a), not more than one member shall be from each of the two major political parties.

(c) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a Chairman and a Vice Chairman from among its members.

QUORUM

SEC. 5. Seven members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6. (a) MEMBERS OF CONGRESS.—Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) MEMBERS FROM THE EXECUTIVE BRANCH.—The members of the Commission who are in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) MEMBERS FROM PRIVATE LIFE.—The members from private life shall each receive ~~$75~~ *$50* per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 7. *(a)* The Commission shall have power to appoint and fix the compensation of such personnel as it deems

advisable, in accordance with the provisions of the civil-service laws and the Classification Act of ~~1923~~ *1949*, as amended.

(b) The Commission may procure, without regard to the civil-service laws and the classification laws, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the Act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

EXPENSES OF THE COMMISSION

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this Act.

~~EXPIRATION OF THE COMMISSION~~

~~SEC. 9. Ninety days after the submission to the Congress of the report provided for in section 10 (b), the Commission shall cease to exist.~~

DUTIES OF THE COMMISSION

SEC. ~~10~~ *9*. (a) INVESTIGATION.—The Commission shall study and investigate the present organization and methods of operation of all departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government to determine what changes therein are necessary in their

opinion to accomplish the purposes set forth in section 1 of this Act.

(b) REPORT.—~~The Commission shall make a report of its findings and recommendations to the Congress not later than February 1, 1954~~ *The Commission shall submit interim reports at such time, or times, as the Commission deems necessary, shall submit a comprehensive report of its activities and the results of its studies to the Congress on or before December 31, 1954, and shall submit its final report not later than May 31, 1955, at which date the Commission shall cease to exist. The final report of the Commission may propose such constitutional amendments, legislative enactments and administrative actions as in its judgment are necessary to carry out its recommendations.*

POWERS OF THE COMMISSION

SEC. ~~11~~ *10.* (a) HEARINGS AND SESSIONS.—The Commission, or any member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(b) OBTAINING OFFICIAL DATA.—The Commission is authorized to secure directly from any executive department.

bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of this Act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

Amend the title so as to read: "A bill for the establishment of a Commission on Governmental Operations."

Calendar No. 217

83D CONGRESS
1ST SESSION

S. 106

[Report No. 216]

A BILL

For the establishment of the Commission on Organization of the Executive Branch of the Government.

By Mr. FERGUSON

JANUARY 7 (legislative day, JANUARY 6), 1953
Read twice and referred to the Committee on Government Operations

MAY 4 (legislative day, APRIL 6), 1953
Reported with amendments

Digest of CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 7, 1953
For actions of May 6, 1953
83rd-1st, No. 82

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HIGHLIGHTS: Senate passed: 3rd supplemental appropriation bill, adding item for rural-telephone loans; Commission to study intergovernmental relations; Comission to study reorganization; Export-control continuation. Sen. Taft agreed to bring up cotton-exports insurance bill today but criticized it. Sen. Humphrey introduced and discussed bill to require use of county committees in USDA.

SENATE

1. APPROPRIATIONS. Passed with amendments H. R. 4664, the third supplemental appropriation bill for 1953 (pp. 4761-78). Sens. Bridges, Ferguson, Cordon, Hayden, and Russell were appointed conferees (p. 4778). Agreed to the committee amendment adding $15,000,000 for rural-telephone loans (pp. 4762-3). There was discussion of Federal-employee leave policy in connection with a Williams amendment regarding CRS (pp. 4763-78).

2. INTERGOVERNMENTAL RELATIONS. Passed with amendments S. 1514, to establish a Commission on Intergovernmental Relations to study and make recommendations on Federal-State-local relations, functions, resources, etc. (pp. 4750-3).

3. REORGANIZATION. Passed as reported S. 106, to establish a Commission on Organization of the Executive Branch (pp. 4753-4).

4. EXPORT CONTROL. Passed S. 1739, to continue export-control authority, with a Taft amendment to extend the law for 1 year instead of 3 (pp. 4747-8).

5. ADMINISTRATIVE PROCEDURE. Passed without amendment S. 18, to eliminate certain exemptions from the Administrative Procedure Act, including the International Wheat Agreement Act, Export Control Act, Sugar Control Extension Act, part of the Defense Production Act, etc. (p. 4731).

6. FLOOD CONTROL. Passed as reported S. 117, to amend Sec. 7 of the Flood Control Act of 1941 relating to apportionment of moneys received on account of the leasing of lands acquired by the U. S. for flood-control purposes (pp. 4748-9).

7. DISBURSEMENTS. Passed as reported S. 1307, to continue and amend authority of disbursing officers to cash checks and perform other services for U. S. employees abroad (p. 4749).

8. PROPERTY ACQUISITION. Passed with amendment S. 30, to provide for jury trials in condemnation proceedings (pp. 4757-8).

9. CONTRACTS. Debated but passed over S. 24, to permit judicial review of decisions of Government contracting officers involving questions of fact arising under Government contracts in cases other than those in which fraud is alleged (pp. 4729-30, 4756-7).

10. COTTON EXPORTS. Sen. Maybank attempted to bring up S. 1413, to provide war-risk insurance on exported cotton, etc. Sen. Taft criticized the bill but agreed to have it brought up today. (pp. 4747-8.)

11. PERSONNEL. Sen. Johnston, S. C., criticized the new security order relating to Federal employment and said there is currently "a strong tendency to completely destroy the civil-service-merit system" (pp. 4778-80).

HOUSE

12. RESEARCH. The Interstate and Foreign Commerce Committee ordered reported (but did not actually report) with amendments H. R. 4689, amending the National Science Foundation Act regarding quorums of Board members and providing for an open-end authorization to carry out the Act (p. D377).

13. FARM LANDS. Received a Hawaii Legislature memorial urging appropriation of $20,000,000 for land and water development in Hawaii (p. 4792).

14. ITEMS IN APPENDIX

14. TREATIES. Rep. Smith, Wis., inserted a letter from Paul Redmond favoring Sen. Bricker's proposal to limit treaty-making powers (pp. A2553-4).

15. BUDGETING. Extension of remarks of Rep. Keating favoring item-veto power on appropriation bills (p. A2555).

BILLS INTRODUCED

16. COUNTY COMMITTEES. S. 1847, by Sen. Humphrey, to require the Secretary of Agriculture to continue use of local and State committees in carrying out the Soil Conservation and Domestic Allotment Act, to require that such committees be used in carrying out farm price-support and crop-insurance programs, and to provide for election of such State committees by members of county committees; to Agriculture Committee (p. 4728). Remarks of author (p. 4780).

17. INTEREST RATES. S. 1848, by Sen. Sparkman, to prohibit certain increases in interest rates under the National Housing Act; to Banking and Currency Committee (p. 4728). Remarks of author, including charges that recent increases in interest rates are not in the interest of farmers (pp. 4780-7).

18. PERSONNEL. H. Res. 228, by Rep. Broyhill, directing the Post Office and Civil Service Committee to investigate personnel practices with particular reference to job security of career employees; to Rules Committee (pp. 4791-2).

COMMITTEE HEARING ANNOUNCEMENTS FOR MAY 7: Soil conservation in general, H. Agriculture (McArdle to testify). USDA appropriations, S. Appropriations. Joint Budget Committee, S. Government Operations (exec).

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For supplemental information and copies of legislative material referred to, call Ext. 4654 or send to Room 105A.

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Chairman or by the Vice Chairman when acting as Chairman.

APPROPRIATIONS, EXPENSES, AND PERSONNEL

SEC. 5. (a) There are hereby authorized to be appropriated such amounts as may be necessary to carry out the provisions of this act.

(b) Each member of the Commission shall receive $50 per diem when engaged in the performance of duties vested in the Commission, except that no compensation shall be paid by the United States, by reason of service as a member, to any member who is receiving other compensation from the Federal Government, or to any member who is receiving compensation from any State or local government.

(c) Each member of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by him in the performance of duties vested in the Commission.

(d) The Commission may appoint and fix the compensation of such employees as it deems advisable in accordance with the provisions of the civil-service laws and the classification laws.

(e) The Commission may procure, without regard to the civil-service laws and the classification laws, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

(f) Without regard to the civil-service and classification laws, the Commission may appoint and fix the compensation of a Director who shall perform such duties as the Commission shall prescribe.

TERMINATION OF THE COMMISSION

SEC. 6. Six months after the transmittal to the Congress of the final report provided for in section 3 of this act, the Commission shall cease to exist.

The title was amended so as to read: "A bill to establish a Commission on Intergovernmental Relations."

COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

The Senate proceeded to consider the bill (S. 106) for the establishment of the Commission on Organization of the Executive Branch of the Government, which had been reported from the Committee on Government Operations with amendments, on page 2, line 3, after "(1)", to strike out "limiting" and insert "recommending methods and procedures for reducing"; after line 12, to strike out:

(5) defining and limiting executive functions, services, and activities;

(6) eliminating services, functions, and activities more properly within the jurisdiction of State and local governments;

In line 18, to change the subsection number from "(7)" to "(5)"; after line 20, to strike out:

(8) postponing expenditures during periods of heavy defense commitments where deferral will not impair essential functioning of government;

In line 24, to change the subsection number from "(9)" to "(6)"; on page 3, line 1, to change the subsection number from "(10)" to "(7)"; in line 7, after the word "on", to strike out "Organization of the Executive Branch of the Government" and insert "Governmental Operations"; after line 10, to insert:

(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99)..

On page 4, line 1, after the word "President", to strike out, "pro tempore"; after line 6, to strike out:

(b) Qualification of members: Of each class of four members appointed under paragraphs (1), (2), and (3) of subsection (a), respectively, one member, if available, shall have served on the Commission established pursuant to the act entitled "An Act for the Establishment of the Commission on Organization of the Executive Branch of the Government", approved July 7, 1947.

After line 13, to insert:

(b) Political affiliation: Of each class of 2 members appointed in subsection (a), not more than 1 member shall be from each of the 2 major political parties.

On page 5, line 17, after the word "receive", to strike out "$75" and insert "$50"; in line 23, after "SEC. 7.", to insert "(a)"; on page 6, line 2, after the word "of", to strike out "1923" and insert "1949"; after line 3, to insert:

(b) The Commission may procure, without regard to the civil-service laws and the classification laws, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

After line 14, to strike out:

EXPIRATION OF THE COMMISSION

SEC. 9. Ninety days after the submission to the Congress of the report provided for in section 10 (b), the Commission shall cease to exist.

In line 20, after "SEC.", to strike out "10" and insert "9"; on page 7, line 3, after the word "Report", to strike out "The Commission shall make a report of its findings and recommendations to the Congress not later than February 1, 1954" and insert "The Commission shall submit interim reports at such time, or times, as the Commission deems necessary, shall submit a comprehensive report of its activities and the results of its studies to the Congress on or before December 31, 1954, and shall submit its final report not later than May 31, 1955, at which date the Commission shall cease to exist. The final report of the Commission may propose such constitutional amendments, legislative enactments, and administrative actions as in its judgment are necessary to carry out its recommendations."

And in line 16, to change the section number from "11" to "10", so as to make the bill read:

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of Congress to promote economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government by—

(1) recommending methods and procedures for reducing expenditures to the lowest amount consistent with the efficient performance of essential services, activities, and functions;

(2) eliminating duplication and overlapping of services, activities, and functions;

(3) consolidating services, activities, and functions of a similar nature;

(4) abolishing services, activities, and functions not necessary to the efficient conduct of government;

(5) eliminating nonessential services, functions, and activities which are competitive with private enterprise;

(6) defining responsibilities of officials; and

(7) relocating agencies now responsible directly to the President in departments or other agencies.

ESTABLISHMENT OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH

SEC. 2. (a) For the purpose of carrying out the policy set forth in section 1 of this act, there is hereby established a commission to be known as the Commission on Governmental Operations (in this act referred to as the "Commission").

(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) Number and appointment: The Commission shall be composed of 12 members as follows:

(1) Four appointed by the President of the United States, 2 from the executive branch of the Government and 2 from private life;

(2) Four appointed by the President of the Senate, 2 from the Senate and 2 from private life; and

(3) Four appointed by the Speaker of the House of Representatives, 2 from the House of Representatives and 2 from private life.

(b) Political affiliation: Of each class of 2 members appointed in subsection (a), not more than 1 member shall be from each of the 2 major political parties.

(c) Vacancies: Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a Chairman and a Vice Chairman from among its members.

QUORUM

SEC. 5. Seven members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6. (a) Members of Congress: Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) Members from the executive branch: The members of the Commission who are in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) Members from private life: The members from private life shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commis-

sion, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 7. (a) The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of the civil-service laws and the Classification Act of 1949, as amended.

(b) The Commission may procure, without regard to the civil-service laws and the classification laws, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

EXPENSES OF THE COMMISSION

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this act.

DUTIES OF THE COMMISSION

SEC. 9. (a) Investigation: The Commission shall study and investigate the present organization and methods of operation of all departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government to determine what changes therein are necessary in their opinion to accomplish the purposes set forth in section 1 of this act.

(b) Report: The Commission shall submit interim reports at such time, or times, as the Commission deems necessary, shall submit a comprehensive report of its activities and the results of its studies to the Congress on or before December 31, 1954, and shall submit its final report not later than May 31, 1955, at which date the Commission shall cease to exist. The final report of the Commisison may propose such constitutional amendments, legislative enactments, and administrative actions as in its judgment are necessary to carry out its recommendations.

POWERS OF THE COMMISSION

SEC. 10. (a) Hearings and sessions: The Commission, or any member thereof, may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(b) Obtaining official data: The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of this act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the establishment of a Commission on Governmental Operations."

Mrs. SMITH of Maine. Mr. President, I ask unanimous consent that a statement in explanation of the bill be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SMITH OF MAINE

S. 106, as amended by the committee, would create a bipartisan Commission on Governmental Operations, similar in composition to the Commission on Organization of the Executive Branch of the Government (the Hoover Commission), but somewhat broader in its frame of reference and authority.

The proposed Commission would be authorized to make studies and investigations of the present organization and methods of operation of all agencies of the Federal Government, and to submit recommendations to the Congress for appropriate action designed to abolish services, activities and functions not necessary to the efficient conduct of the Government, or which may be found to be in competition with private enterprise. In addition to powers vested in the Hoover Commission, to make recommendations for improvement of Federal organization, methods, and administration, the new Commission would have authority to make studies and recommendations relative to changes in substantive policies and Federal programs.

Testimony at the hearings revealed virtual unanimity on the part of all witnesses and members of the committee that there is a need for a comprehensive study of duplicating and overlapping activities, organization, methods, administration, functions, and policies, with a view to improving Government efficiency and effecting economies. The hearings also developed the fact that, although the Hoover Commission performed an important service effectively, many of its recommendations have not been fully implemented, and these recommendations should be reevaluated in the light of present conditions. That more of the recommendations contained in the Hoover reports have not been approved is due primarily to the fact that the Hoover Commission was not authorized to deal with substantive programs and policies. In many instances, the line of demarcation between organization and administration, on the one hand, and substantive policy on the other, often made it difficult to separate the two. The new Commission proposed under S. 106 would have adequate authority to examine not only all of the governmental operations previously covered by the Hoover Commission, 4 years ago, but also Federal functions, programs and policies as well. Testimony indicated further that substantial economies should result from such studies.

The Commission would be required to submit interim reports from time to time, as it deems necessary, to submit a comprehensive report of its activities and the results of its studies to the Congress on or before December 31, 1954, and its final report not later than May 31, 1955.

As amended by the committee, S. 106 will provide for the broad study of governmental operations which is so urgently needed at this time. It is supported by former President Herbert Hoover and President Eisenhower. The Director of the Bureau of the Budget participated in the executive session of the committee at which the amendments were considered and the bill was reported favorably. The bill has the unanimous support of all members of the Committee on Government Operations, and it was actively supported by organizations and individuals who are interested in more efficient government at substantially lower cost.

There will be no duplication between the work of the Commission on Governmental Operations, created by S. 106, and that of the Commission on Intergovernmental Relations, which would be established by S. 1514, the preceding bill. To make certain of this the committee struck out a provision in S. 106 which would have specifically authorized the Commission on Governmental Operations to conduct studies into Federal-State relations.

Approval of S. 106 is not intended to interfere with any reorganization programs which may now be under consideration by the President. If approved by the Congress, the proposed Commission will not be required to submit its findings and recommendations until December 31, 1954, and its final report until May 31, 1955. The committee stressed in its report that reorganizations presently under consideration by the President or the Congress, proposing further streamlining and reorganizations in the executive branch of the Government, should not be delayed unnecessarily, pending the submission of reports by this Commission.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 49) proposing an amendment to the Constitution of the United States relative to equal rights for men and women was announced as next in order.

Mr. GORE. Mr. President, reserving the right to object——

Mr. SMATHERS. Over.

Mr. TAFT. Mr. President, a measure of this much importance should not be passed on the call of the calendar. At a later date I shall move to bring it up for consideration by the Senate.

The PRESIDING OFFICER. The joint resolution will go over.

REV. A. E. SMITH

The bill (S. 1334) for the relief of the Reverend A. E. Smith was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Reverend A. E. Smith, of Bismarck, N. Dak., the sum of $1,706.40, in full satisfaction of all claims against the United States for reimbursement for custom duties paid upon the importation of stained-glass windows for use in St. George's Church in Bismarck, N. Dak.: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

BILL PASSED OVER

The bill (H. R. 662) for the relief of Mr. and Mrs. Joseph W. Furstenberg was announced as next in order.

Mr. GORE. Over.

The PRESIDING OFFICER. The bill goes over.

MRS. MURIEL J. SHINGLER, DOING BUSINESS AS SHINGLER'S HATCHERY

The bill (H. R. 720) for the relief of Mrs. Muriel J. Shingler, doing business as Shingler's Hatchery, was considered, ordered to a third reading, read the third time, and passed.

83D CONGRESS
1ST SESSION

S. 106

IN THE HOUSE OF REPRESENTATIVES

MAY 7, 1953

Referred to the Committee on Government Operations

AN ACT

For the establishment of a Commission on Governmental Operations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of Congress to promote economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government by—

(1) recommending methods and procedures for reducing expenditures to the lowest amount consistent

with the efficient performance of essential services, activities, and functions;

(2) eliminating duplication and overlapping of services, activities, and functions;

(3) consolidating services, activities, and functions of a similar nature;

(4) abolishing services, activities, and functions not necessary to the efficient conduct of government;

(5) eliminating nonessential services, functions, and activities which are competitive with private enterprise;

(6) defining responsibilities of officials; and

(7) relocating agencies now responsible directly to the President in departments or other agencies.

ESTABLISHMENT OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH

SEC. 2. (a) For the purpose of carrying out the policy set forth in section 1 of this Act, there is hereby established a commission to be known as the Commission on Governmental Operations (in this Act referred to as the "Commission").

(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensa-

tion, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) NUMBER AND APPOINTMENT.—The Commission shall be composed of twelve members as follows:

(1) Four appointed by the President of the United States, two from the executive branch of the Government and two from private life;

(2) Four appointed by the President of the Senate, two from the Senate and two from private life; and

(3) Four appointed by the Speaker of the House of Representatives, two from the House of Representatives and two from private life.

(b) POLITICAL AFFILIATION.—Of each class of two members appointed in subsection (a), not more than one member shall be from each of the two major political parties.

(c) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a Chairman and a Vice Chairman from among its members.

QUORUM

SEC. 5. Seven members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6. (a) MEMBERS OF CONGRESS.—Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) MEMBERS FROM THE EXECUTIVE BRANCH.—The members of the Commission who are in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) MEMBERS FROM PRIVATE LIFE.—The members from private life shall each receive $50 per diem when engaged in the actual performace of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 7. (a) The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of the civil-service laws and the Classification Act of 1949, as amended.

(b) The Commission may procure, without regard to the civil-service laws and the classification laws, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the Act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

EXPENSES OF THE COMMISSION

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropropriated, so much as may be necessary to carry out the provisions of this Act.

DUTIES OF THE COMMISSION

SEC. 9. (a) INVESTIGATION.—The Commission shall study and investigate the present organization and methods of operation of all departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government to determine what changes therein are necessary in their

opinion to accomplish the purposes set forth in section 1 of this Act.

(b) REPORT.—The Commission shall submit interim reports at such time, or times, as the Commission deems necessary, shall submit a comprehensive report of its activities and the results of its studies to the Congress on or before December 31, 1954, and shall submit its final report not later than May 31, 1955, at which date the Commission shall cease to exist. The final report of the Commission may propose such constitutional amendments, legislative enactments and administrative actions as in its judgment are necessary to carry out its recommendations.

POWERS OF THE COMMISSION

SEC. 10. (a) HEARINGS AND SESSIONS.—The Commission, or any member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(b) OBTAINING OFFICIAL DATA.—The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, esti-

mates, and statistics for the purpose of this Act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

Passed the Senate May 6, 1953.

Attest: J. MARK TRICE,

Secretary.

83D CONGRESS
1ST SESSION

S. 106

AN ACT

For the establishment of a Commission on Governmental Operations.

MAY 7, 1953
Referred to the Committee on Government Operations

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued May 26, 1953
For actions of May 25, 1953
83rd-1st, No. 95

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HIGHLIGHTS: Senate committee reported USDA reorganization plan. House debated Labor-HEW appropriation bill. House sent 3rd supplemental appropriation bill to conference. House committee reported Army civil appropriation bill. Sen. Malone recommended private ownership for Federal range lands.

SENATE

1. REORGANIZATION. The Government Operations Committee reported adversely S. Res. 100, disapproving Reorganization Plan No. 2 of 1953, relating to this Department (S. Rept. 297)(p. 5596). It was agreed that this measure will be debated May 27 (pp. 5626-7).

2. PERSONNEL. H. R. 4654 was made the unfinished business (p. 5627). As amended by the Senate committee, this bill provides as follows: Removes from the Annual and Sick Leave Act of 1951 Presidential appointees at more than $14,800, and authorizes the President to exempt additional officials. Suspends the entitlement of such persons to lump-sum payments during their exemption. Repeals the Thomas amendment, thereby reinstating the accumulation provisions of the Annual and Sick Leave Act of 1951. Allows accumulation limits to take effect at the beginning of the first pay period of the calendar year, thus permitting the use of unused accrued leave over the Christmas and New Year's holidays, while maintaining the advantages of pay-period accounting.

3. FLOOD CONTROL. The Public Works Committee reported without amendment H. R. 4025, authorizing $75,000,000 for additional Army flood control on the Columbia River Basin (S. Rept. 303)(p. 5596).

4. INTEREST RATES. Sen. Murray criticized the Treasury policy of permitting increases in interest rates on Government securities (pp. 5636-7).

5. NEW ENGLAND. Sen. Kennedy spoke on the economic problems of New England (pp. 5637-48).

6. RESEARCH. Received a Nebr. Legislature memorial requesting transfer of the Ft. Robinson agricultural station to Nebr. (p. 5592).

HOUSE

7. PERSONNEL. The Post Office and Civil Service Committee reported without amendment H. R. 5275, to extend from Dec. 31, 1953, until June 30, 1954, the time within which the Committee on Retirement Policy for Federal Personnel must submit its report (H. Rept. 452)(p. 5710).

8. FLOOD-CONTROL APPROPRIATIONS. The Appropriations Committee reported H. R. 5376, the Army civil functions appropriation bill for 1954 (H. Rept. 450) on May 23, during adjournment (p. 5710). The Rules Committee reported a resolution for consideration of this bill (p. 5710).

9. LABOR-HEW APPROPRIATION BILL, 1954. Concluded reading for amendment this bill, H. R. 5246, but deferred the vote on passage until today, May 26 (pp. 5657-705). Agreed to a Fogarty amendment to increase by $6,000,000 the funds for payments to federally-impacted areas for education (pp. 5656-9).

10. THIRD SUPPLEMENTAL APPROPRIATION BILL, 1953. Reps. Taber, Clevenger, Busbey, Cannon, and Whitten were appointed conferees on this bill, H. R. 4664 (pp. 5656-7). Senate conferees were appointed May 6.

11. REORGANIZATION. A Government Operations subcommittee voted to report to the full committee H. R. 4206, to establish a Commission on Governmental Functions and Fiscal Resources, and H. R. 992, to establish a Commission on Organization of the Executive Branch (May 22)(p. D467). Rep. Brown, Ohio, urged quick passage of these bills (p. 5656).

BILLS INTRODUCED

12. MISSOURI BASIN. S. 1964, by Sen. Martin, to modify the comprehensive plan for the Missouri River Basin authorized by the Flood Control Act of 1944; to Public Works Committee (p. 5596).

13. PERSONNEL. S. 1965, by Sen. Mundt, to prevent the payment of Civil Service or Foreign Service retirement annuities to persons convicted of certain disloyalty crimes; to Post Office and Civil Service Committee (p. 5596). Remarks of author (pp. 5596-7).

14. ELECTRIFICATION. S. 1971, by Sen. Aiken (for Sen. Ives), to provide for electric power development of the Niagara River; to Public Works Committee (p. 5596). Remarks of author (p. 5600).

15. CREDIT UNIONS. S. 1973, by Sen. Butler, Md., providing for insurance of membership share balances in Federal credit unions by FDIC; to Banking and Currency Committee (p. 5596).

16. GRAZING LANDS. S. 1982, by Sen. Malone, to establish a special grazing district in Nev., etc.; to Interior and Insular Affairs Committee (p. 5596). Remarks of author, including recommendation for private ownership of Federal grazing lands (pp. 5627-30).

17. RECLAMATION. H. R. 5377, by Rep. Dondero, to rescind the authorization for the Libby Dam project; to Public Works Committee (p. 5710).

ITEMS IN APPENDIX

18. LIVESTOCK INDUSTRY. Sen. Thye inserted his speech before the Natural Livestock

INTERGOVERNMENTAL RELATIONS

Committee on Government Operations: On Friday the Harden subcommittee approved unanimously for reporting to the full committee H. R. 4206, a bill to establish a Commission on Governmental Functions and Fiscal Resources, which would study all of the present activities in which Federal aid is extended to States and local governments, and determine the ability of the Federal Government and the States to finance such activities.

Also unanimously approved H. R. 992, to establish the Commission on Organization of the Executive Branch of the Government.

GRAZING LANDS

Committee on Interior and Insular Affairs: The D'Ewart Subcommittee on Public Lands concluded hearings on H. R. 4023 (Uniform Federal Grazing Land Act), a bill to declare congressional policy toward increasing and improvement of the carrying capacity of lands, with a view toward stabilizing the livestock industry within federally owned or designated lands in certain Western States. No final action was taken on the bill.

Representative Holifield appeared in opposition to the legislation today, and Representative Coon, of Oregon, spoke on the bill's behalf. Opposition testimony was also received from Angus McDonald, assistant legislative secretary, National Farmers Union.

At Saturday's hearings, two witnesses testified in favor of the proposed legislation—Matt Triggs, American Farm Bureau Federation, and Walter S. Schrock, Bend, Oreg., representing the Oregon Cattlemen's Association. Testimony in opposition was received from Ronald Marshall, of Lolo, Mont., president of Lolo Stock Association; Spencer M. Smith, Independent Forest Farmers of America; Howard Zahneser, executive secretary of the Wilderness Society; Herbert F. Smart, Utah Wild Life Federation; L. F. Kneipp, formerly with the Forest Service; Grant M. Burbidge, Salt Lake City, Utah; and Charles H. Callison, conservation director, National Wildlife Federation, Washington, D. C. Adjourned until June 5, when it intends to consider various pending bills.

D. C. AREA TRANSIT COMMISSION

Committee on Interstate and Foreign Commerce: Resumed hearings on pending legislation which provides for creating a Washington Area Transit Commission. The bills under consideration are H. R. 1555, 3771, and S. 922. Testimony on behalf of the Interstate Commerce Commission was presented today by L. A. Pou, its Assistant General Counsel. Hearings were recessed until tomorrow morning, following which the committee will consider various other bills in executive session.

REFUGEE ADMISSION PROGRAM

Committee on the Judiciary: It was announced today that the hearings, scheduled by Subcommittee No. 1, to consider the President's recommendation to admit 240,000 immigrants and refugees to this country in the next 2 years, have been postponed from May 27, 28, and 29, until June 8 and June 9.

IMMIGRATION

Committee on the Judiciary: Subcommittee No. 1 approved for reporting to the full committee H. R. 5363, extending the date for final payment of RFC loans made to religious groups under the Displaced Persons Act; and S. Con. Res. 25, amended, regarding permanent status to certain aliens.

The subcommittee also approved 14 private immigration bills of the House and reported adversely on 12 other private immigration bills of the House.

JUSTICE DEPARTMENT—NASHVILLE CASES

Committee on the Judiciary: The Keating subcommittee resumed its cross-examination of former officials of the Justice Department and other witnesses in connection with four tax-fraud indictments which were returned by a grand jury in Nashville, Tenn., in 1950. These indictments have been referred to as findings of a "runaway" grand jury by former Assistant Attorney General Caudle. Caudle testified before the group last Friday. Today's witnesses were H. Graham Morison, former Chief of the Claims Division, and Peyton Ford, former Deputy Attorney General. Mr. Morison stated during his testimony that his connection with the Nashville case was only a 1-day study, and his recollection of said incident, which happened in 1950, was vague. Subcommittee adjourned subject to call of the Chair.

ARMY CIVIL FUNCTIONS

Committee on Rules: Granted an open rule, waiving points of order against, and providing for 3 hours' debate on, H. R. 5376, the Army civil functions appropriation bill for 1954. Representatives Davis of Wisconsin and Riley of South Carolina appeared on the legislation.

INTERNAL REVENUE

Committee on Ways and Means: The Kean subcommittee resumed hearings in connection with its investigation of alleged intercessions by Government officials in income-tax cases. Testimony was developed today during questioning by Subcommittee Counsel Tobin that the Bureau of Internal Revenue gave a favorable tax ruling to John L. Leban, a vice president of Schenley Distillers. This ruling followed a reversal of the Bureau's specialist, and came after personal intervention in the case by former Secretary of the Treasury Snyder. The witnesses testifying were Katherine V. Nalley, a reviewer in the Tax Ruling Section of the Bureau; and Sylvan Tobolowsky, the assistant head of the Interpretative Division of the General Counsel's Office, Bureau of Internal Revenue.

Recessed until tomorrow morning when it will continue its study into these intervention cases involving Government officials.

BILLS SIGNED BY THE PRESIDENT

New Laws

(*For last listing of public laws, see Digest, p. D439*)

H. R. 2277, to amend the act of 1920 to incorporate the Roosevelt Memorial Association so as to change its name to the Theodore Roosevelt Association. Signed May 21, 1953 (P. L. 29).

H. R. 4465, to amend the Export-Import Bank Act of 1945 by authorizing the bank to utilize up to $100 million of its existing lending authority to provide a limited type of insurance to American exporters. Signed May 21, 1953 (P. L. 30).

H. R. 4198, to confirm and establish the titles of the States to lands beneath navigable waters within State historic boundaries, and for other purposes. Signed May 22, 1953 (P. L. 31).

S. J. Res. 42, providing for participation by U. S. Government in national celebration of 50th anniversary of controlled flight. Signed May 22, 1953 (P. L. 32).

COMMITTEE MEETINGS FOR TUESDAY, MAY 26

(*All meetings are open unless otherwise designated*)

Senate

Committee on Agriculture and Forestry, on S. 1505, to reorganize the Farm Credit Administration, 10 a. m., 324 Senate Office Building.

Committee on Appropriations, Subcommittee on Interior, 9 a. m., room F–82, Capitol; full committee, executive, on H. R. 4974, State, Justice, Commerce, 10 a. m., room F–37, Capitol; Subcommittee on Labor-HEW, 2 p. m., room F–37, Capitol; Subcommittee on Army Civil Functions, 2 p. m., room F–39, Capitol.

Committee on Banking and Currency, on bills and amendments concerning RFC and small business, 10 a. m., 301 Senate Office Building.

Committee on the Judiciary, subcommittee, on S. 1917, special quota immigration visas, 10 a. m., room P–63, Capitol; Internal Security Subcommittee, to hear Nathan Witt, 10:30 a. m., 318 Senate Office Building.

House

Committee on Agriculture, hearing on H. R. 3895, to extend to potato producers the Government services now available to producers of other vegetables and fruits, 10 a. m., 1310 New House Office Building.

Committee on Armed Services, full committee on H. R. 5304, survivors benefits, 10 a. m., 313–A Old House Office Building.

Committee on Banking and Currency, on S. 1081, to provide for temporary economic controls, 10 a. m., 1301 New House Office Building. Representative August H. Andresen will be the first witness.

Committee on Foreign Affairs, full committee in executive session on the Mutual Security Act extension, 10:30 a. m., G–3 U. S. Capitol.

Executive meeting of Subcommittee on State Department Organization and Personnel, 9:30 a. m., G–3 U. S. Capitol.

To extend the Mutual Security Act. Subject: Near East, Greece, Turkey, and Africa, military, including defense financing and support, executive, 2:30 p. m., G–3 U. S. Capitol.

Committee on Government Operations, Brownson Subcommittee on International Operations, executive, 10 a. m., 1501 New House Office Building.

Committee on House Administration, executive meeting of Subcommittee on Accounts, 10 a. m., G–53 U. S. Capitol.

Executive meeting of Schenck Subcommittee on Printing, 10 a. m., G–53 U. S. Capitol.

Executive meeting of full committee, 10:30 a. m., G–53 U. S. Capitol.

Committee on Interior and Insular Affairs, Subcommittee on Mines and Mining on H. R. 4983, regarding definition of surface rights vested in the locator of a mining claim, 10 a. m., 1324 New House Office Building.

Committee on Interstate and Foreign Commerce, to continue public hearings on the Washington Metropolitan Area Transit Commission bills, followed by executive meeting to consider, and take final action on, the following bills on which hearings have already been completed: H. R. 3203, trip leasing; H. R. 2769, H. R. 3551, and H. R. 3604, factory inspections by FDA; H. R. 1555, H. R. 3771, H. R. 5329, and S. 922, Washington Metropolitan Area Transit Commission; H. R. 3290, Government rates on household goods; H. R. 3289 and H. R. 3792, revocation of water-carrier certificates; S. 903, regulation of transportation of lethal munitions; H. R. 201, H. R. 519, and H. R. 2075, reduced air transportation charges to ministers of religion, 10 a. m., 1334 New House Office Building.

Committee on the Judiciary, public hearing before Subcommittee No. 1 on H. R. 5236 and H. R. 5238, bills for the relief of Franciszek Jarecke (Polish airman), 9:30 a. m., 327 Old House Office Building.

Executive meeting of full committee, 10 a. m., 346 Old House Office Building.

Subcommittee No. 3 on H. R. 4597, to amend section 4 of the Clayton Act to provide for discretionary treble damages in private actions under antitrust laws, 2 p. m., 346 Old House Office Building.

Committee on Post Office and Civil Service, to consider the problem of leave for Federal employees, executive, 10 a. m., 213 Old House Office Building.

Committee on Public Works, Auchincloss Subcommittee on Public Buildings and Grounds on pending bills, executive, 10 a. m., 1302 New House Office Building.

Committee on Rules, to consider rules for H. R. 1026, providing medical, surgical, and dental treatment and hospitalization for certain officers and employees of the former Lighthouse Service; H. R. 4689, to amend the National Science Foundation Act of 1950; and H. R. 5069, to prohibit the introduction or movement in interstate commerce of articles of wearing apparel and fabrics which are so highly flammable as to be dangerous when worn by individuals, 10:30 a. m., G–12, U. S. Capitol.

Committee on Un-American Activities, to resume hearings regarding communism in education, 10:30 a. m., 362 Old House Office Building.

Committee on Ways and Means, Kean subcommittee to study alleged irregularities in the Internal Revenue Bureau, 10 a. m., 1102 New House Office Building.

Executive meeting on H. R. 5148, to continue until June 30, 1954, the suspension of duties and import taxes on metal scrap, 2 p. m., P–15 U. S. Capitol.

Joint Committee

Joint Committee on Atomic Energy, executive, on AEC views on atomic power for industry, with AEC Commissioners, 2:30 p. m., room F–88, Capitol.

formation will be of inestimable value to the business community and to the general public.

In view of the outstanding success of the Department's previous studies for the committee on the production of newsprint from bagasse, I am confident that a similar contribution will be made by the Department in completing the work outlined above and that the results of this program will further demonstrate the effective working relationship between the executive and legislative branches of the Government, in the public interest.

With assurances of highest esteem, I am

Sincerely,

CHAUNCEY W. REED,
Chairman.

THE SECRETARY OF COMMERCE,
Washington, D. C., May 1, 1953.

The Honorable CHAUNCEY W. REED,
Chairman, Committee on the Judiciary, House of Representatives, Washington, D. C.

DEAR MR. REED: Thank you for your cordial letter concerning the studies being carried on by my Department in cooperation with your committee. I am gratified by your complimentary remarks concerning our contribution to the work of the committee, and am in accord with your view that constructive collaboration between the executive and legislative branches, as exemplified by the successful relationship between the Judiciary Committee and the Department of Commerce, best serves the cause of good and efficient government.

As members of my staff have informed members of your staff, I have delayed a definite answer to your letter regarding special industry studies because of reorganization and budget problems relating to the coming fiscal year. I am very much interested in your statement regarding the program of your committee evolving legislation and policies to foster the sound development and growth of private enterprise. I agree with you about the importance of such a program, and I will provide a staff and assign to it the studies you request. I believe that considerable material has already been developed and our staff reorganization has progressed to the point where I think we can provide the material you want in the reasonably near future.

With kindest personal regards.

Sincerely yours,

SINCLAIR WEEKS,
Secretary of Commerce.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, D. C., May 7, 1953.

Hon. SINCLAIR WEEKS,
Secretary of Commerce,
Washington, D. C.

DEAR MR. SECRETARY: I have received your letter of May 1, 1953, and am very pleased that you have provided for the completion of the studies and reports which I have requested on behalf of the Committee on the Judiciary. In my opinion, this work will be of immearsurable benefit to the legislative activities of the committee as well as to business interests generally.

Be assured that all members of the committee are looking forward with great interest to the presentation of the Department's reports.

With assurances of highest esteem, I am,

Sincerely yours,

CHAUNCEY W. REED,
Chairman.

CALL OF THE HOUSE

Mr. BAILEY. Mr. Speaker, I make the point of order that a quorum it not present.

The SPEAKER. Obviously a quorum is not present.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 43]

Abbitt	Ford	Mumma
Adair	Forrester	Neal
Andrews	Frelinghuysen	Nelson
Angell	Friedel	Norblad
Aspinall	Fulton	Norrell
Ayres	Gamble	O'Brien, Mic'
Baker	Garmatz	O'Brien, N. Y.
Barrett	Gary	O'Neill
Becker	Goodwin	Osmers
Bender	Gordon	Passman
Bishop	Granahan	Patman
Blatnik	Grant	Patten
Bolton,	Green	Pfost
Frances P.	Gubser	Phillips
Bolton,	Hagen, Minn.	Pilcher
Oliver P.	Haley	Pillion
Bonner	Hand	Poulson
Boykin	Hardy	Powell
Brooks, La.	Hart	Prouty
Buchanan	Hays, Ark.	Rains
Bush	Hays, Ohio	Rhodes, Pa.
Byrne, Pa.	Heller	Robsion, Ky.
Canfield	Hess	Rogers, Mass.
Carlyle	Hiestand	Roosevelt
Case	Hillings	Sadlak
Celler	Hinshaw	Scherer
Chatham	Hoeven	Secrest
Chudoff	Holt	Shafer
Cole, N. Y.	Hope	Shelley
Cooley	Hosmer	Sikes
Corbett	Jarman	Simpson, Pa.
Coudert	Javits	Smith, Miss.
Crumpacker	Johnson	Smith, Va.
Cunningham	Jones, Mo.	Springer
Dague	Kearney	Stringfellow
Davis, Ga.	Kelley, Pa.	Sullivan
Dawson, Ill.	Kelly, N. Y.	Taylor
Dawson, Utah	Kersten, Wis.	Thompson, La.
Derounian	Klein	Thompson, Tex.
Dingell	Kluczynski	Tuck
Dodd	Lesinski	Utt
Dollinger	Lovre	Van Pelt
Dolliver	McCormack	Velde
Donovan	Mack, Ill.	Vorys
Dorn, N. Y.	Mahon	Warburton
Dorn, S. C.	Mailliard	Wharton
Dowdy	Martin, Iowa	Whitten
Doyle	Meader	Wickersham
Durham	Metcalf	Widnall
Eberharter	Miller, Nebr.	Willis
Edmondson	Miller, N. Y.	Wilson, Calif.
Elliott	Mollohan	Wilson, Ind.
Engle	Morgan	Winstead
Fallon	Morrison	Zablocki
Fine	Multer	

The SPEAKER. On this rollcall 252 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CIVIL FUNCTIONS, DEPARTMENT OF THE ARMY, APPROPRIATION BILL, 1954

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 244, Rept. No. 451), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5376) making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1954, and for other purposes, and all points of order against said bill or any provisions contained in said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

(Mr. BROWN of Ohio asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BROWN of Ohio. Mr. Speaker, I wish to bring to the attention of the House two very important matters which have escaped the attention of this body and the American people. This is understandable when we consider a possible Korean truce, a Big Three meeting, the dissolution of the French Cabinet, balancing of the budget, and so forth. What I have reference to are two bills, H. R. 4406, "To establish a Commission on Governmental Functions and Fiscal Resources," and H. R. 992, "For the establishment of the Commission on Organization of the Executive Branch of the Government." In my opinion and in the opinion of the majority leader, the President, Senator TAFT, and many others, these are two of the most important bills which will come before this body this session. These bills, which are closely related, lay the foundation for the proper adjustment of the numerous relationships between the Federal Government and State and local governments. They also provide for the continuation of the reorganization of the executive branch of the Federal Government in order that it may operate efficiently and economically and thus make minimum demands upon the sources of tax revenue which sustain the States and counties also. While a good start has been made under the Hoover Commission, it is only a start, and we must renew our efforts to make our sprawling executive branch much more effiicent and economical.

Last Friday, the Intergovernmental Relations Subcommittee of the Government Operations Committee, unanimously reported out both these bills for the consideration of the full committee. I want to congratulate the chairman of the subcommittee, the gentlewoman from Indiana, Mrs. CECIL M. HARDEN, for her fine work on these bills. I also want to congratulate the individual members of the subcommittee, Mr. MEADER, Mr. OSMERS, Mr. HILLELSON, Mr. BROOKS of Texas, Mr. CONDON, and Mr. PILCHER, for their work on these two measures which are of such importance to our country.

It is my earnest hope that the House may soon take quick action on these bills and catch up with the Senate which has, as you know, unanimously voted on companion bills.

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1953

Mr. TABER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4664) making supplemental appropriations for the year ending June 30, 1953, and for

Plant, Timothy J. Quirk, Michael J. Racioppi, Manning J. Wilcoxon and Thomas Gillespie Walsh shall constitute the original board of trustees under this act; that the board of trustees shall elect, from among themselves, one member to be president, one member to be vice president, one member to be treasurer, and one member to be secretary of said corporation; that at the first meeting of the board subsequent to the passage of this act the trustees shall be divided into three classes, the members of the first class to serve for a period of 1 year, the members of the second class to serve for a period of 2 years; and the members of the third class to serve for a period of 3 years; that the said trustees shall serve for the periods mentioned and/or until their successors are designated, the power of designation being in the board of trustees; that the selection of new trustees and their designation to classes shall be in the discretion of the board of trustees; that the number of professorships which may be established by said corporation shall be left to the discretion of the board of trustees, who shall have the power to establish ordinances and bylaws for the conduct of the business of the corporation, or to alter, repeal, and amend the same, and also power to frame laws and regulations to govern the faculty and students in all departments thereof and to designate such professors and lecturers as they shall deem necessary and with such salaries and duties as the said board of trustees shall deem proper: *Provided, however,* That no member of the board of trustees, except the president, shall serve in a teaching capacity in the university.

SEC. 3. That the said trustees may receive, invest, and administer endowments and gifts of money, and property absolute or subject to payments by way of annuities, during the life of the donor, for the maintenance of educational works by said university, and they shall have all the powers and authority hereby granted to or invested in the trustees of said university by chapter 18, of the Revised Statutes of the United States, relating to the District of Columbia.

SEC. 4. The said corporation shall adopt a common seal, under and by which all deeds, diplomas, and acts of the said university or corporation shall pass and be authenticated, and the same seal at their pleasure to break and alter, or to devise a new one.

SEC. 5. That the funds, moneys, and properties of the corporation shall be held in the name of Columbus University and that the funds or the income of the corporation, or any part thereof, shall be used for no purpose or object other than to promote and advance the best interests of Columbus University.

SEC. 6. No institution of learning hereafter incorporated in the District of Columbia shall use in or as its title, in whole or in part, the words "Columbus University."

SEC. 7. Nothing in this act contained shall be so construed as to prevent Congress from altering, amending, or repealing same.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. O'HARA of Minnesota. Mr. Speaker, that concludes the business of the Committee on the District of Columbia for today.

ECONOMIC STUDIES BY THE DEPARTMENT OF COMMERCE

(Mr. REED of Illinois asked and was given permission to extend his remarks at this point and include correspondence with the Secretary of Commerce.)

Mr. REED of Illinois. Mr. Speaker, on March 3, 1953, I spoke on this floor about the significant accomplishments which had occurred in the field of newsprint as a result of the cooperative efforts of the Department of Commerce and the Committee on the Judiciary. At that time I indicated the extent to which the joint activities of the Department and the committee had encouraged private enterprise to invest in new productive facilities for manufacturing newsprint from sugarcane bagasse, thus proving the effectiveness of constructive activity by the legislative and executive branches working together to open up new fields for development by private enterprise.

In March of this year I wrote to the Honorable Sinclair Weeks, Secretary of Commerce, requesting that the Department conduct additional studies on behalf of the committee dealing with incentives to the development of industry by private capital and industrial organization in certain selected areas of the national economy. At the close of my remarks I am inserting this letter, together with Mr. Weeks' reply and my acknowledgment thereof.

Many Members of Congress and businessmen generally will be pleased to observe that the Secretary has agreed to provide these studies dealing with incentives to private industry and industrial structure.

This material will be indispensable to the committee on the performance of its legislative duties, especially where clarification of the antitrust laws is concerned. The material will also be of important benefit to private enterprise in developing new industries and new sources of raw materials. The work already conducted by the Department of Commerce at the request of the committee with respect to newsprint is a concrete example of how private investment in new facilities can be stimulated by studies of this general nature.

The Secretary is to be commended for his foresight in undertaking this program for the committee and in making available to private industry as well the important data which only his Department is in a position to provide. Credit must be given to the new administration for recognizing the serious gap which existed in available economic data and in fostering cooperative endeavors of the legislative and executive branches of the Government.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, D. C., March 16, 1953.

Hon. SINCLAIR WEEKS,
Secretary of Commerce,
Washington, D. C.

MY DEAR MR. SECRETARY: In writing you for the first time, I want to express my great personal satisfaction that the Department of Commerce is in the able hands of a man so well acquainted with the practical problems of business. I know that the Committee on the Judiciary will be able to count upon your Department for effective cooperation in matters of mutual concern.

The Department of Commerce has made significant contributions to the work of this committee in the past. As recently as March 3, 1953, I referred on the floor of the Congress to the noteworthy achievement being made by your organization, in cooperation with the Judiciary Committee, in developing new sources to augment our national supply of newsprint, such as the use of sugarcane bagasse as a raw material. The joint efforts of the Department and this committee in the field of newsprint afford a concrete example of how a Federal agency working in conjunction with a congressional committee can open up entirely new fields for development by private enterprise, without financing by the Government.

We are looking forward with keen interest to the presentation in the near future of the Department's additional reports, requested by the committee in connection with its newsprint investigation, which I understand will relate to the development of new processes for the production of newsprint from hardwoods, the prospective use of Alaskan timber resources, and the recovery of newsprint by deinking wastepaper.

These newsprint studies were undertaken, and the initial report pertaining to bagasse was made, under the assigned supervision of Mr. H. B. McCoy, then Deputy Administrator of the National Production Authority. In late November last, I formulated a general program for the continuation during the 83d Congress of the committee's studies and investigations of antitrust matters, and I therefore requested Mr. McCoy by letter to broaden the scope of the Department's studies to embrace certain other basic industries, reports on which would be of inestimable value to this committee in the consideration and proper discharge of its responsibilities with respect to antitrust legislation. Any legislative action in a field so fundamental to the operation of our economy must necessarily be based upon a careful study of the facts concerning the major structural changes which have occurred in the location, technology, and concentration of industry as a result of defense expansion.

Now that the program of the committee has been more specifically defined, particularly with respect to the order of consideration, I should like to request that initial attention in the Department's studies be given to the following industry groups:

1. Steel.
2. Chemical.
3. Capital goods.
4. Pulp and paper.

It would be extremely useful to the committee if, as part of the Department's presentation of the above studies, it could also submit a comprehensive analysis of the financial incentives and deterrents to private industry which are incident to the development of new enterprises or the expansion of existing enterprises, with case studies showing the operation and significance of these factors in specific situations.

I was pleased to learn from Mr. McCoy in December that Mr. Jesse J. Friedman, who had been in charge of the newsprint study for your Department, was designated to supervise and direct the preparation of the additional studies requested. I may say that Mr. Friedman has made a splendid contribution to the work of the committee in the past, and I have every confidence in him and in his ability effectively to assist the committee in the future. I have designated the committee counsel, Mr. Malcolm Mecartney, to represent the committee in this matter and to cooperate with Mr. Friedman in every way possible to facilitate the progress of this project.

The studies requested will be an indispensable contribution to the committee in its consideration not only of the adequacy of present antitrust laws and the effectiveness of their administration, but also of legislative proposals for the modification of such statutes. Moreover, I am sure that the in-

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued June 4, 1953
For actions of June 3, 1953
83rd-1st, No. 101

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HIGHLIGHTS: Senate debated State, Justice, Commerce appropriation bill. Senate Subcommittee approved for reporting to full committee USDA appropriation bill. House rejected motion to consider resolution disapproving USDA reorganization plan. House passed flammable fabrics bill. House committee reported bills establishing commissions on intergovernmental relations and organization.

SENATE

1. APPROPRIATIONS. Continued debate on H.R. 4974, the State, Justice, Commerce appropriation bill for 1954 (pp. 6175, 6182-223). Rejected, 35-36, a motion to suspend the rules to permit consideration en bloc of three Carlson amendments granting heads of the State, Justice and Commerce Departments complete discretion to terminate the services of employees outside the competitive civil service (pp. 6217-21). Agreed to committee amendments providing $14,000,000 for forest highways, and $5,500,000 for access roads (p. 6201).

   The Appropriations Subcommittee approved for reporting to the full committee with amendments H.R. 5227, the Agriculture appropriation bill for 1954 (p. D500).

2. ST. LAWRENCE SEAWAY. The Foreign Relations Subcommittee ordered reported to the full committee with amendments S. 589, to create the St. Lawrence Seaway Development Corporation (p. D501).

3. EXPERIMENT STATIONS. Received a printed copy of USDA's report on the agricultural experiment stations for 1952, which is to take place of a typewritten report received Jan. 2; to Agriculture and Forestry Committee (p. 6170).

4. TVA. Sen. Kefauver urged appropriation of additional funds for more power-generating facilities for TVA, and inserted a Tenn. Railroad and Public Utilities Comm. resolution on this subject (pp. 6170-1).

5. FOREIGN AID. Sen. Wiley spoke "on the crucial importance of the United Nations International Children's Emergency Fund," and inserted various messages urging continued U. S. support and appropriations for this fund (pp. 6174-5).

6. LEGISLATIVE PROGRAM as announced by the acting majority leader: Thurs., after completion of the State, Justice, Commerce appropriation bill, the Senate will consider 3 "noncontroversial" bills, including S. 690, authorizing GSA to enter into lease-purchase agreements covering real property; and S. 1461, concerning common carriers' requests for increased rates; and then "the acting majority leader would propose that the Senate recess until Monday" (p. 6213).

HOUSE

7. REORGANIZATION. Approved Reorganization Plan No. 2, for this Department, by rejecting, 128-261, a motion to consider H. Res. 236 disapproving this plan. Reps. Fountain, Abernethy, and Hope analyzed the reorganization plan and inserted statements made by the Secretary and his staff on this and former reorganization plans of the Department (pp. 6136-51). This plan goes into effect today, June 4.

8. APPROPRIATIONS. Passed H.R. 5471, the D. C. appropriation bill for 1954 (pp. 6135-36).

9. FLAMMABLE FABRICS. Passed with a clarifying amendment H.R. 5069, to prohibit movement in interstate commerce of highly flammable fabrics and wearing apparel (pp. 6155-64).

10. CCC PEA SALES. The "Daily Digest" states: "The Hoeven subcommittee announced today that public hearings have been scheduled for Wednesday morning, June 17, to study the CCC sale of 80,000 tons of Austrian winter peas to 3 west-coast concerns" (p. D503).

11. ECONOMIC CONTROLS. The "Daily Digest" states that the Banking and Currency Committee, in consideration of S. 1081, providing for temporary economic controls, "agreed unanimously to strike all of title 8 out of the bill, which provided for a 90-day freeze on prices, wages, services, etc., in the case of emergency. Also struck out of title 6 all the provisions concerning consumer credit and real-estate credit controls." (p. D503).

12. FARM HOUSING. The Veterans' Affairs Committee reported without amendment H.R. 5456, extending to June 30, 1954 the direct home and farmhouse loan authority of the Administrator of Veterans' Affairs under title 3 of the Servicemen's Readjustment Act of 1944 (H.Rept. 501) (p. 6167).

13. ORGANIZATION. The Government Operations Committee reported with amendment H.R. 4406 and H.R. 992, to establish commissions on intergovernmental relations and organization of the Executive Branch (H. Repts. 504 and 505). The Rules Committee reported resolutions providing for consideration of these bills (p. 6167).

14. SMALL BUSINESS. The Rules Committee reported a resolution for the consideration of H.R. 5141, to create the Small Business Administration (p. 6167).

15. DISBURSING. The Government Operations Committee reported without amendment H.R. 3770, to amend the act of Dec. 23, 1944, authorizing certain transactions by disbursing officers (H. Rept. 511). A resolution for consideration of this bill was also reported (p. 6167).

83D CONGRESS
1st Session
HOUSE OF REPRESENTATIVES
REPORT
No. 508

CONSIDERATION OF H. R. 992

JUNE 3, 1953.—Referred to the House Calendar and ordered to be printed

Mr. ALLEN of Illinois, from the Committee on Rules, submitted the following

REPORT

[To accompany H. Res. 267]

The Committee on Rules, having had under consideration House Resolution 267, report the same to the House with the recommendation that the resolution do pass.

26008

○

House Calendar No. 65

83D CONGRESS
1ST SESSION

H. RES. 267

[Report No. 508]

IN THE HOUSE OF REPRESENTATIVES

JUNE 3, 1953

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following resolution; which was referred to the House Calendar and ordered to be printed

---

RESOLUTION

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 992) for the establishment of the Commission on Organization of the Executive Branch of the Government. After general debate, which shall be confined to the bill, and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Government Operations, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as

may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

House Calendar No. 65

83D CONGRESS
1ST SESSION

H. RES. 267

[Report No. 508]

RESOLUTION

Providing for the consideration of H. R. 992, a bill for the establishment of the Commission on Organization of the Executive Branch of the Government.

By Mr. ALLEN of Illinois

JUNE 3, 1953

Referred to the House Calendar and ordered to be printed

Union Calendar No. 173

83D CONGRESS, 1st Session | HOUSE OF REPRESENTATIVES | REPORT No. 505

COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

JUNE 3, 1953.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HOFFMAN of Michigan, from the Committee on Government Operations, submitted the following

REPORT

[To accompany H. R. 992]

The Committee on Government Operations, to whom was referred the bill (H. R. 992) to establish a Commission on Organization of the Executive Branch, having considered the same, unanimously report thereon, without prejudice. The amendments are as follows:

On page 1, line 10, paragraph (1) strike out "limiting" and insert in lieu thereof "recommending methods and procedures for reducing."

On page 2, strike out all of paragraphs (5), (6), and (8), and renumber paragraphs (7), (9), and (10) as (5), (6), and (7), respectively.

On page 2, line 24, number the existing paragraph as "(a)".

On page 3, insert under section 2, the following paragraph (b):

(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

On page 3, line 10, strike "pro tempore".

On page 3, lines 16 to 22, strike subsection 3 (b).

On page 3, line 23, renumber as subsection (b).

On page 4, line 23, change "$75" to "$50".

On page 5, line 4, number the paragraph "(a)".

On page 5, line 6, after the word "advisable", strike ", in accordance with" and insert the words "without regard to".

On page 5, line 7, change "1923" to "1949".

On page 5, section 7, add as paragraph "(b)", the following:

The Commission may procure, without regard to the civil-service laws and the classification laws, temporary and intermittent services to the same extent as is

authorized for the departments by section 15 of the Act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

On page 5, lines 13 to 16, inclusive, strike out heading "Expiration of the Commission" and entire section 9.

On page 5, line 18, change "section 10" to "section 9".

On page 5, line 22, delete "of the executive branch", change "government" to "Government", and insert after "Government", "except the Judiciary and the Congress of the United States."

On page 5, line 25, strike all of paragraph "(b)" and include a new paragraph "(b)" as follows:

(b) REPORT.—The Commission shall submit interim reports at such time or times, as the Commission deems necessary, shall submit a comprehensive report of its activities and results of its studies to the Congress on or before December 31, 1954, and shall submit its final report not later than May 31, 1955, at which date the Commission shall cease to exist. The final report of the Commission may propose such constitutional amendments, legislative enactments and administrative actions as in its judgment are necessary to carry out its recommendations.

On page 6, substitute the following section 10 (a) for section 11 (a).

HEARINGS AND SESSIONS

SEC. 10. (a) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as the Commission or such subcommittee or member may deem advisable. Subpenas may be issued under the signature of the Chairman of the Commission, of such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 to 104, inclusive, of the Revised Statutes (U. S. C., title 2, secs. 192–194), shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

The reasons for the amendments made to S. 106, companion bill to H. R. 992, are fully explained in Senate Report No. 216 on S. 106. Further explanations of amendments to H. R. 992, as originally introduced, are included in this report under "Subcommittee action."

PURPOSE

The proposed Commission would have the purposes and duties of the Commission on Organization of the Executive Branch of the Government established under Public Law 162, 80th Congress, generally referred to as the Hoover Commission, with some very important additions. These additional purposes are to promote economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch by eliminating nonessential services, functions, and activities which are competitive with private enterprise, defining responsibilities of officials, and relocating agencies now responsible directly to the President in departments or other agencies.

The scope of the activities of the proposed Commission under the Ferguson-Brown bills (S. 106 and H. R. 992) would thus be significantly broadened. Therein lies the chief difference between Public Law 162, 80th Congress, establishing the Hoover Commission,

and H. R. 992. In this connection former President Hoover has commented as follows:

> The Ferguson-Brown bill looks to the reestablishment of such a Commission on Organization of the Executive Branch of the Government as that over which I presided from 1947 to 1950 with powers to investigate and recommend policies as well as administrative methods. That former Commission was unable to report on policy questions.

H. R. 4406, a bill to establish a Commission on Governmental Functions and Fiscal Resources, and similar bills were considered in conjunction with H. R. 992 and related bills.

H. R. 4406, as originally introduced, would authorize a study of Federal relations with State and local governments as they relate to grants-in-aid programs. The subcommittee is also reporting this bill which with amendments would broaden the scope of its study and reports on all Federal-State functions and activities. A somewhat similar provision for the study of Federal-State functions and activities in H. R. 992 was eliminated from the latter bill. The duties assigned to each Commission are designed to avoid conflicts in studies to be undertaken.

PROVISIONS OF H. R. 992

H. R. 992, as amended, provides for the establishment of a Commission on Organization of the Executive Branch of the Government empowered to investigate and make recommendation to the Congress on the following: (1) Methods and procedures for reducing expenditures to the lowest amount consistent with the efficient performance of essential services, activities, and functions; (2) elimination of duplication and overlapping of services, activities, and functions; (3) consolidation of services, activities, and functions of a similar nature; (4) abolishing services, activities, and functions not necessary to the efficient conduct of government; (5) elimination of nonessential services, functions, and activities which are competitive with private enterprise; (6) definition of responsibilities of officials; and (7) relocation of agencies now responsible directly to the President in departments or other agencies.

The Commission, or subcommittee or member thereof if authorized by the Commission, would be empowered to hold hearings, administer oaths or affirmations to witnesses, and would have the power of subpena. It would be authorized to secure from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purposes of the act; and each such agency is authorized and directed to furnish such assistance to the Commission upon request of the Chairman or Vice Chairman.

The Commission would be composed of 12 members, 4 to be appointed by the President of the United States, 2 from the executive branch of the Government and 2 from private life; 4 to be appointed by the President of the Senate, 2 from the Senate and 2 from private life; and 4 appointed by the Speaker of the House of Representatives, 2 from the House and 2 from private life. Vacancies would not affect the Commission's powers and any vacancy would be filled in the same manner as the original appointment. Service of an individual as a member or employment of an individual by the Commission as an

attorney or expert in any business or professional field would not be considered as service or employment such as would subject such individual to the conflict-of-interest provisions of United States statutes.

The Commission shall elect a Chairman and Vice Chairman from among its members. Seven members would constitute a quorum.

The staff of the Commission would be employed without regard to civil-service laws and the Classification Act and the Commission would be authorized to contract for the services of consultants and experts and firms without obtaining competitive bids, as authorized in section 15 of the act of August 2, 1946.

Members of the Commission who are Members of Congress or in the executive branch would serve without additional compensation but would be reimbursed for travel, subsistence, and other necessary expenses. Members from private life would each receive $50 per diem when engaged in the performance of duties of the Commission. The necessary funds to carry out the purposes of the act are authorized to be appropriated.

The Commission would study and investigate the present organization and methods of operation of all departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the Government except the Judiciary and the Congress of the United States, to determine what charges therein are necessary to accomplish the purposes of section 1 of the bill.

The Commission would be required to submit an interim report at such time, or times, as the Commission deems necessary, a comprehensive report on or before December 31, 1954, and a final report not later than May 31, 1955, at which date the Commission would cease to exist. The final report of the Commission may propose such constitutional amendments, legislative enactments, and administrative actions as in its judgment are necessary to carry out its recommendations.

HEARINGS

Hearings on H. R. 992 were held before the Subcommittee on Intergovernmental Relations in conjunction with hearings on H. R. 4406, on May 12 to 14, 1953. Appearing specifically on H. R. 992 and related bills were Senator Homer Ferguson, of Michigan; Representative Kenneth A. Keating, of New York; and Mr. Fred Maytag, president of the Maytag Co., Newton, Iowa, on behalf of the National Association of Manufacturers. In addition, statements were submitted on similar bills introduced by themselves by Congressmen Goodwin, of Massachusetts, and Elliott, of Alabama. In addition, many witnesses appearing on behalf of H. R. 4406 also expressed themselves in favor of enactment of H. R. 992. There was agreement on the need for a commission similar to the Hoover Commission to again study and make recommendations to the Congress as to what can be done to improve Government efficiency in the field of organization, administration, and functions, with particular emphasis on examining the activites of the Government from the standpoint of policy. While there were some divergent views on some details, there was no inclination to delay progress on the legislation on this account and the bill as amended in the Senate was generally acceptable.

Several members of the subcommittee questioned witnesses as to the necessity of establishing a commission to do the job, indicating that

congressional committees have the authority, are responsible, and, with appropriate staff assistance, should be able to do the job more effectively. However, it was the general consensus of witnesses that as a practical matter a commission should be established since it was not likely that Congress would provide adequate funds for such an investigation by a committee of Congress although it would do so for a commission.

It was also pointed out that a commission is able to create public opinion for a plan, and, then, when it is presented back to Congress, it is not on a partisan basis. Then, too, because of the pressure under which the Members of Congress operate, it is practically impossible for the Members to give the concentrated time and study to the job as can be obtained from members of an independent commission, on which it is to be hoped that, as in the case of the Hoover Commission, a number can be obtained who can devote the major part of their time to it.

Other points that were given special consideration by the subcommittee were (1) whether the Commission should have the subpena power, and (2) whether the Commission should have the authority to hire and pay employees without regard to civil-service laws and the Classification Act. While the general view was that there would not often be need for the subpena power and it should not ordinarily be used to compel appearance, it would be advisable for the Commission to have the authority in order to take care of any cases that might arise in which witnesses would not like to appear except on subpena because of technicalities involved in being reimbursed for expenses or other reasons.

Witnesses generally expressed the view that while they were strong for the merit principle in public employment, it might delay and restrict operations if they had to acquire their staff in strict compliance with civil-service appointment laws. The temporary nature of the Commission and the urgency for prompt action were believed to justify disregard for civil-service laws and the Classification Act. In his letter to the subcommittee, former President Hoover commented on this aspect of the Hoover Commission's operations by stating that the Commission "found it desirable to have the power to choose its staff without regard to the civil-service laws."

SUBCOMMITTEE ACTION

The subcommittee's action on H. R. 992 is reflected primarily in the amendments incorporated in the bill as reported. These are the same amendments (S. Rept. No. 216) as were made by the Senate in S. 106, as originally introduced, with the following differences:

The name of the Commission as given in H. R. 992 was not changed to conform to that given in S. 106.

In section 7 (a) in addition to the amendments made in the Senate in the companion bill, S. 106, a provision was included that would permit the employment of staff employees without regard to civil-service laws. With all due respect to the qualifications of employees obtainable under the civil-service system there may be occasions, as was true in the experience of the Hoover Commission, when an employment is necessary with a minimum of delay. As in the case of the Hoover Commission, many of the staff employees may be

assigned to the Commission temporarily from other Government agencies or receive a civil-service appointment. The bill, as amended, will not prevent such procedures.

In order that the work of the Commission will be aided in its investigation of all relationships affecting the executive branch of the Government, section 9 (a) provides for study and investigation of all agencies of the Government except the judiciary and the Congress of the United States. This means that the Government Printing Office, which reportedly does 75 to 80 percent of its work for the executive departments, may be studied in conjunction with those departments.

Section 10 (a), in the amended bill, provides the Commission with the power of supena, whereas S. 106 does not provide such authority.

The subcommittee has given consideration to the concern of some that confusion and delay may result from the authority granted the President in Public Law No. 3, 83d Congress (extending the Reorganization Act of 1949), and the powers and duties imposed upon the proposed Commission. The subcommittee does not believe that any conflict need arise in the two legislative actions. A comprehenisve report is not due from the Commission until December 31, 1954. It is the view of the subcommittee, as expressed by the Director of the Bureau of the Budget, in his report on this legislation, "that any such commission should not operate so as to postpone or otherwise inhibit the President's program for reorganizing the executive branch of the Government toward greater efficiency and economy." It would be entirely proper for the President to continue to improve executive-branch organization and operation under the authority of the Reorganization Act of 1949, as extended in Public Law No. 3. The Commission should be able to complement the work of the President and in addition make recommendations in those fields of reorganization in which the powers of the President have been specifically limited in the Reorganization Act of 1949, as amended.

○

Union Calendar No. 173

83D CONGRESS
1ST SESSION

H. R. 992

[Report No. 505]

IN THE HOUSE OF REPRESENTATIVES

JANUARY 6, 1953

Mr. BROWN of Ohio introduced the following bill; which was referred to the Committee on Government Operations

JUNE 3, 1953

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

For the establishment of the Commission on Organization of the Executive Branch of the Government.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of Congress to promote economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government by—

(1) ~~limiting~~ *recommending methods and procedures for reducing* expenditures to the lowest amount consistent with the efficient performance of essential services, activities, and functions;

(2) eliminating duplication and overlapping of services, activities, and functions;

(3) consolidating services, activities, and functions of a similar nature;

(4) abolishing services, activities, and functions not necessary to the efficient conduct of government;

~~(5) defining and limiting executive functions, services, and activities;~~

~~(6) eliminating services, functions and activities more properly within the jurisdiction of state and local governments;~~

~~(7)~~ *(5)* eliminating nonessential services, functions, and activities which are competitive with private enterprise;

~~(8) postponing expenditures during periods of heavy defense commitments where deferral will not impair essential functioning of government;~~

~~(9)~~ *(6)* defining responsibilities of officials; and

~~(10)~~ *(7)* relocating agencies now responsible directly to the President in departments or other agencies.

ESTABLISHMENT OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH

SEC. 2. *(a)* For the purpose of carrying out the policy set forth in section 1 of this Act, there is hereby established a commission to be known as the Commission on Organization of the Executive Branch of the Government (in this Act referred to as the "Commission").

(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) NUMBER AND APPOINTMENT.—The Commission shall be composed of twelve members as follows:

(1) Four appointed by the President of the United States, two from the executive branch of the Government and two from private life;

(2) Four appointed by the President ~~pro tempore~~ of the Senate, two from the Senate and two from private life; and

(3) Four appointed by the Speaker of the House of Representatives, two from the House of Representatives and two from private life.

~~(b) QUALIFICATIONS OF MEMBERS.—Of each class of four members appointed under paragraphs (1), (2), and (3) of subsection (a), respectively, one member, if available, shall have served on the Commission established pursuant to the Act entitled "An Act for the establishment of the Commission on Organization of the Executive Branch of the Government", approved July 7, 1947.~~

~~(c)~~ *(b)* VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a Chairman and a Vice Chairman from among its members.

QUORUM

SEC. 5. Seven members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6. (a) MEMBERS OF CONGRESS.—Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred

by them in the performance of the duties vested in the Commission.

(b) MEMBERS FROM THE EXECUTIVE BRANCH.—The members of the Commission who are in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) MEMBERS FROM PRIVATE LIFE.—The members from private life shall each receive ~~$75~~ *$50* per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 7. *(a)* The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, ~~in accordance with~~ *without regard to* the provisions of the civil service laws and the classification Act of ~~1923~~ *1949*, as amended.

(b) The Commission may procure, without regard to the civil-service laws and the classification laws, temporary and intermittent services to the same extent as is authorized

for the departments by section 15 of the Act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

EXPENSES OF THE COMMISSION

SEC. 8. There is herey authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this Act.

~~EXPIRATION OF THE COMMISSION~~

~~SEC. 9. Ninety days after the submission to the Congress of the report provided for in section 10 (b), the Commission shall cease to exist.~~

DUTIES OF THE COMMISSION

SEC. ~~10~~ *9*. (a) INVESTIGATION.—The Commission shall study and investigate the present organization and methods of operation of all departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities ~~of the executive branch~~ of the ~~government~~ *Government except the Judiciary and the Congress of the United States* to determine what changes therein are necessary in their opinion to accomplish the purposes set forth in section 1 of this Act.

~~(b) REPORT.—The Commission shall make a report of its findings and recommendations to the Congress not later than February 1, 1954.~~

(b) REPORT.—The Commission shall submit interim reports at such time, or times, as the Commission deems necessary, shall submit a comprehensive report of its activities and the results of its studies to the Congress on or before December 31, 1954, and shall submit its final report not later than May 31, 1955, at which date the Commission shall cease to exist. The Final Report of the Commission may propose such constitutional amendments, legislative enactments and administrative actions as in its judgment are necessary to carry out its recommendations.

POWERS OF THE COMMISSION

SEC. 10. (a) HEARINGS AND SESSIONS.—The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Commission or such subcommittee or member may deem advisable. Subpenas may be issued under the signature of the Chairman of the Commission, of such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 to 104, inclusive, of the

Revised Statutes (U. S. C., title 2, secs. 192–194), shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

~~SEC. 11. (a) HEARINGS AND SESSIONS.—The Commission, or any member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.~~

(b) OBTAINING OFFICIAL DATA.—The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of this Act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

Union Calendar No. 173

83D CONGRESS
1ST SESSION

H. R. 992

[Report No. 505]

A BILL

For the establishment of the Commission on Organization of the Executive Branch of the Government.

By Mr. BROWN of Ohio

JANUARY 6, 1953

Referred to the Committee on Government Operations

JUNE 3, 1953

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued June 5, 1953
For actions of June 4, 1953
83rd-1st, No. 102

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HIGHLIGHTS: Senate passed State, Justice, Commerce appropriation bill. Sen. Humphrey urged support for his bill to ship surplus wheat to Pakistan. Sen. Schoeppel criticized F & DA's wheat cleanup program. Sen. Humphrey criticized reduction in USDA research funds. House passed bills establishing commissions on intergovernmental relations and organization. House committee ordered reported economic controls bill. Sen. Young introduced and discussed bill authorizing barter of surplus commodities for foreign military supplies. Sen. Aiken introduced bill for control of scrapie and blue tongue in sheep. Sen. Williams introduced and discussed bill limiting 90% parity support to 1953 crops.

HOUSE

1. ORGANIZATION. Passed S. 1514, to establish a Commission on Intergovernmental Relations, with an amendment substituting the provisions of H.R. 4406, which had previously been passed with amendments (pp. 6290-308).

   Passed S. 106, to establish a Commission on Organization of the Executive Branch, with an amendment substituting the provisions of H.R. 992, which had previously been passed as reported (pp. 6309-12).

2. ECONOMIC CONTROLS. The Banking and Currency Committee ordered reported (but did not actually report) S. 1081, providing for temporary economic controls, with an amendment in the form of a substitute which "eliminates the wage, price and services freeze provisions, as well as all credit control provisions passed by the Senate; approved section 104 (fats and oils control provisions) as contained in the 1952 act; extends for 1 year instead of 2" (p. D512).

3. DISBURSING. Passed without amendment S. 1307, amending the act of Dec. 23, 1944, authorizing certain transactions by disbursing officers (pp. 6308-09). This bill will now be sent to the President.

4. SMALL BUSINESS. Adopted a resolution for the consideration of H.R. 5141, to create a Small Business Administration, but deferred consideration of the bill until today, June 5 (pp. 6312-13).

5. REORGANIZATION. Rep. Fountain was permitted to make certain corrections in the record of June 3 on the debate on Reorganization Plan No. 2 for this Department (pp. 6287-88).

6. HOLIDAYS. Rep. Hand spoke in favor of H. Con. Res. 14, to bring about observance of holidays on the Monday nearest to the day on which each such holiday occurs, and inserted a Philadelphia Bulletin article on this subject (p. 6308).

7. FARM CREDIT. Both Houses received the FCA audit report for the fiscal year 1952 (H. Doc. 165) (pp. 6232, 6324).

8. HAWAII. Received an Hawaii Legislature resolution favoring S. 49, Hawaii Statehood bill (p. 6325).

9. SCHOOL LUNCH. Received a Massachusetts Legislature memorial in opposition to a reduction of the national school lunch program appropriation (p. 6325).

10. FOREIGN TRADE; ELECTRIFICATION. Rep. Smith (Miss.) spoke on the costs to the American taxpayers of the Buy-American Act, using the Chief Joseph Dam case as an example (p. 6289).

11. BLACKBERRY JAM. Rep. Angell inserted an article on the development of wild-cross blackberry jam in Willamette Valley, Oregon (p. 6287).

SENATE

12. APPROPRIATIONS. Passed with amendments H. R. 4974, the State, Justice, Commerce, appropriation bill for 1954 (pp. 6254-69, 6271-80). Rejected a Douglas amendment barring funds to any State for Federal-aid highways which submits programs therefor in excess of 95% of amounts apportioned to that State for the fiscal year 1955 (pp. 6276-80). Sens. Bridges, Saltonstall, Ferguson, Smith (N. J.), McCarran, Ellender, and Hill were appointed conferees (p. 6280).

13. FOREIGN AID. Sen. Humphrey urged support for his bill, S. 1782, to ship surplus wheat and other commodities to Pakistan, saying, "the administration would do well to offer its support, and not to insist upon having a special Republican bill introduced" (p. 6248).

Sen. Wiley inserted a National Council of the Churches of Christ in the U.S.A. resolution favoring shipment of surplus wheat to Pakistan (p. 6233).

Sen. Humphrey inserted a summary of the American Farm Bureau Federation's recommendations on foreign aid legislation (pp. 6283-4).

14. WHEAT INFESTATION. Sen. Schoeppel criticized the "announced purpose" of the Food and Drug Admin. to divert all insect-infested wheat to animal feed, and claimed the Food, Drug, and Cosmetic Act is so severe in its application as to prevent legal wheat shipments "out of the borders of my State" (pp. 6281-2).

15. RESEARCH FUNDS. Sen. Humphrey criticized the administration's cut in agriculture research funds, and inserted a New York Times article discussing President Eisenhower's recent visit to the Beltsville Research Center (pp. 6284-5).

16. EXPORT CONTROL. Agreed to the House amendment to S. 1739, providing for continuation of authority for regulating exports (p. 6253). This bill will now be sent to the President.

bursing officers of the United States, and for other purposes. My understanding of it was that the bill was to be disposed of today because the authority was needed by the Armed Services and others before the expiration of this month. As I understand it, there is no controversy about it.

H. R. 3770

(Mr. HALLECK asked and was given permission to address the House for 1 minute.)

Mr. HALLECK. Mr. Speaker, I have asked for this minute so that I may answer the inquiry of the gentleman from Michigan. I did not know there was such a bill until a rule was reported on it, I believe, yesterday. The report was filed under the unanimous-consent agreement. The program according to the whip notice was that the bill we have just concluded was to be followed by the bill introduced by the gentleman from Ohio [Mr. BROWN], the bill from the Banking and Currency Committee having to do with the creation of a Small Business Administration. I said to the gentleman from Michigan [Mr. HOFFMAN] that I hoped we could dispose of these other three matters and take up that matter to which he has referred this afternoon because I recognize the situation. I hope we can do that. I do not know how expeditiously we can move. Subject to developments about which I am not sure yet, it was thought we might adjourn over until Monday, after concluding our business, but whether or not other things will intervene to prevent that, I do not know. Unless, after consultation with our colleagues, it is decided that that ought to be placed ahead of the next order of business, we ought to dispose of the matters covered in the whip notice, and according to the program as announced last week.

Mr. HOFFMAN of Michigan. I have no personal interest in the matter at all, but I know that these matters were placed on the whip notice before the committee ever reported them out. On this particular bill there is no controversy at all.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. McCORMACK. The bill was reported out unanimously. Its purpose is to extend an expiring law which enables those in the service of our country abroad to get checks cashed by agencies of the Government, including those who might be working for American contractors.

Mr. HALLECK. If that is the situation, and if there is no objection on that side, and I see no objection indicated by the members of the committee on this side, may I suggest that the gentleman from Michigan ask unanimous consent for immediate consideration of the bill.

Mr. HOFFMAN of Michigan. Mr. Speaker, I shall ask unanimous consent for the immediate consideration of this bill, H. R. 3770, with this one amendment which is in the Senate bill. They added a new section, section 4, which reads:

The provisions of this act shall terminate on June 30, 1954.

There was no termination date in the other bill. If that amendment is put in, it will go through in time for the armed services to proceed.

The SPEAKER. Is there objection?

Mr. RAYBURN. Mr. Speaker, reserving the right to object, I suggest there is a Senate bill on the Speaker's desk, S. 1307, that is slightly different from the House bill, but rather than offer an amendment to the House bill, why not ask unanimous consent to take up the Senate bill and pass it, and then it will all be over.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1307) to amend the act of December 23, 1944, authorizing certain transactions by disbursing officers of the United States, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to authorize certain transactions by disbursing officers of the United States, and for other purposes," approved December 23, 1944 (ch. 716, 58 Stat. 921; U. S. C., 1946 edition, title 50 App., secs. 1705–1707), is hereby amended to read as follows:

"SECTION 1. Subject to regulations promulgated pursuant to this act, disbursing officers of the United States are authorized, for official purposes, or for the accommodation of members of the Armed Forces and civilian personnel of the United States Government, veterans of the Armed Forces of the United States hospitalized or domiciled in institutions operated by the Veterans' Administration and other institutions operated by agencies of the United States Government, contractors engaged in United States Government projects and the personnel of such contractors, and personnel of authorized nongovernmental agencies operating with agencies of the United States, to cash and negotiate checks, drafts, bills of exchange, and other instruments payable in United States and foreign currencies, and to conduct exchange transactions involving United States and foreign currency and coin, checks, drafts, bills of exchange, and other instruments; and when satisfactory banking facilities are not available, disbursing officers of the United States in foreign countries are also authorized, for the accommodation of any person who is a United States citizen, to cash checks drawn on the Treasurer of the United States: *Provided*, That such checks are presented by the person to whose order they are drawn. Any official funds which are held by disbursing officers of the United States and which are available for expenditure may, with the approval of the head of the agency having jurisdiction over such funds, be utilized for these purposes.

"SEC. 2. Any gains in the accounts of disbursing officers of the United States resulting from operations permitted by this act shall be paid into the Treasury as miscellaneous receipts. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to adjust any deficiencies in the accounts of disbursing officers of the United States which may result from such operations. For the purposes of this section, the heads of agencies having jurisdiction over disbursing officers of the United States are authorized, on a fiscal year basis, to apply gains to offset deficiencies in the accounts of such disbursing officers.

"SEC. 3. The Secretary of the Treasury and, with the concurrence of the Secretary of the Treasury, the heads of other agencies having jurisdiction over disbursing officers of the United States are hereby authorized respectively to issue such rules and regulations, governing the disbursing officers under their respective jurisdictions, as may be deemed necessary or proper to carry out the purposes of this act: *Provided*, That the Secretary of the Treasury may delegate to the head of any agency, subject to such terms and conditions as he may prescribe, authority to issue such rules and regulations governing disbursing officers who are officers or employees of such agency and exercise the function of disbursement pursuant to a delegation by the Secretary of the Treasury.

"SEC. 4. The provisions of this act shall terminate on June 30, 1954."

The bill was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

H. R. 3770 was laid on the table.

House Resolution 269 was laid on the table.

ESTABLISHMENT OF COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

Mr. REECE of Tennessee. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution, House Resolution 267, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 992) for the establishment of the Commission on Organization of the Executive Branch of the Government. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Government Operations, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. REECE of Tennessee. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi [Mr. COLMER]. I reserve 30 minutes for myself.

I have no requests for time on this side.

[Mr. COLMER addressed the House. His remarks will appear hereafter in the Appendix.]

Mr. BROWN of Ohio. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent that the bill (H. R. 992) for the establishment of a Commission on Organization of the Executive Branch of the Government, be

considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of Congress to promote economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government by—

(1) limiting expenditures to the lowest amount consistent with the efficient performance of essential services, activities, and functions;

(2) eliminating duplication and overlapping of services, activities, and functions;

(3) consolidating services, activities, and functions of a similar nature;

(4) abolishing services, activities, and functions not necessary to the efficient conduct of government;

(5) defining and limiting executive functions, services, and activities;

(6) eliminating services, functions, and activities more properly within the jurisdiction of State and local governments;

(7) eliminating nonessential services, functions, and activities which are competitive with private enterprise;

(8) postponing expenditures during periods of heavy defense commitments where deferral will not impair essential functioning of government;

(9) defining responsibilities of officials; and

(10) relocating agencies now responsible directly to the President in departments or other agencies.

ESTABLISHMENT OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH

SEC. 2. For the purpose of carrying out the policy set forth in section 1 of this act, there is hereby established a commission to be known as the Commission on Organization of the Executive Branch of the Government (in this act referred to as the "Commission").

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) Number and appointment: The Commission shall be composed of 12 members as follows:

(1) Four appointed by the President of the United States, two from the executive branch of the Government and two from private life;

(2) Four appointed by the President pro tempore of the Senate, two from the Senate and two from private life; and

(3) Four appointed by the Speaker of the House of Representatives, two from the House of Representatives and two from private life.

(b) Qualifications of members: Of each class of four members appointed under paragraphs (1), (2), and (3) of subsection (a), respectively, one member, if available, shall have served on the Commission established pursuant to the act entitled "An act for the establishment of the Commission on Organization of the Executive Branch of the Government," approved July 7, 1947.

(c) Vacancies: Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a chairman and a vice chairman from among its members.

QUORUM

SEC. 5. Seven members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6. (a) Members of Congress: Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) Members from the executive branch: The members of the Commission who are in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) Members from private life: The members from private life shall each receive $75 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 7. The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of the civil-service laws and the classification act of 1923, as amended.

EXPENSES OF THE COMMISSION

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this act.

EXPIRATION OF THE COMMISSION

SEC. 9. Ninety days after the submission to the Congress of the report provided for in section 10 (b), the Commission shall cease to exist.

DUTIES OF THE COMMISSION

SEC. 10. (a) Investigation: The Commission shall study and investigate the present organization and methods of operation of all departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government to determine what changes therein are necessary in their opinion to accomplish the purposes set forth in section 1 of this act.

(b) Report: The Commission shall make a report of its findings and recommendations to the Congress not later than February 1, 1954.

SEC. 11. (a) Hearings and sessions: The Commission, or any member thereof, may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(b) Obtaining Official data: The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of this act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

With the following committee amendments:

On page 1, line 10, paragraph (1) strike out "limiting" and insert in lieu thereof "recommending methods and procedures for reducing."

On page 2, strike out all of paragraphs (5), (6), and (8), and renumber paragraphs (7), (9), and (10) as (5), (6), and (7), respectively.

On page 2, line 24, number the existing paragraph as "(a)."

On page 3, insert under section 2, the following paragraph (b):

"(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99)."

On page 3, line 10, strike "pro tempore."

On page 3, line 16 to 22, strike subsection 3 (b).

On page 3, line 23, renumber as subsection (b).

On page 4, line 23, change "$75" to "$50."

On page 5, line 4, number the paragraph "(a)."

On page 5, line 6, after the word "advisable", strike ", in accordance with" and insert the words "without regard to."

On page 5, line 7, change "1923" to "1949."

On page 5, section 7, add as paragraph "(b)", the following:

"The Commission may procure, without regard to the civil-service laws and the classification laws, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals."

On page 5, lines 13 to 16, inclusive, strike out heading "Expiration of the Commission" and entire section 9.

On page 5, line 18, change "section 10" to "section 9."

On page 5, line 22, delete "of the executive branch", change "government" to "Government", and insert after "Government", "except the Judiciary and the Congress of the United States."

On page 5, line 25, strike all of paragraph "(b)" and include a new paragraph "(b)" as follows:

"(b) Report: The Commission shall submit interim reports at such time or times, as the Commission deems necessary, shall submit a comprehensive report of its activities and results of its studies to the Congress on or before December 31, 1954, and shall submit its final report not later than May 31, 1955, at which date the Commission shall cease to exist. The final report of the Commission may propose such constitutional amendments, legislative enactments and administrative actions as in its judgment are necessary to carry out its recommendations."

On page 6, substitute the following section 10 (a) for section 11 (a):

"HEARINGS AND SESSIONS

"SEC. 10. (a) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as the Commission or such subcommittee or member may deem advisable. Subpenas may be issued under the signature of the Chairman of the Commission, of such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 to 104, inclusive,

of the Revised Statutes (U. S. C., title 2, secs. 192–194), shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mrs. HARDEN. Mr. Speaker, in 1947 the Congress created what has become known as the Hoover Commission, to study and investigate ways of reorganizing the executive branch of the Government to make it more effective and efficient. A national debt of $265 billion annually augmented by an unbalanced budget is pushing us perilously close to the brink of the statutory limit of $275 billion.

There is a proverb that "Economy is a great source of revenue." This we do believe. This we need to practice, first through organization and then through administration.

Everyone is acquainted with the progress made by the Hoover Commission, and gratifying though that progress has been, there is much remaining to be done. For this reason there is a general movement and need to continue the basic long-term studies on reorganization that we started under the Hoover Commission.

The bill to create the Commission on Reorganization of the Executive Branch of the Government is a necessary companion to the bill to establish a Commission on Intergovernmental Relations. The best possible way to aid the States, counties, and cities is to reduce Federal expenditures. When this is done some tax revenues will be left at the local levels. In order to do this every possible means must be taken to reduce the cost of the Federal Government. We have learned that it is not easy to reduce Federal expenditures. The only safe way to do it is through better management; that is, reorganizing, merging, eliminating, consolidating, standardizing unnecessary and wasteful operations, practices, and procedures in the vast Federal establishment. The numerous hearings and investigations which have been conducted convince us that the field for greater economy and efficiency is unlimited. It must, however, be attacked in a scientific and skillful way. Great as the accomplishments were of the Hoover Commission, the job has only been partly done. Now is the time to continue that work while the background material is still available and the need is so great. I sincerely hope that this body will adopt Mr. BROWN'S proposal, H. R. 992.

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 106) for the establishment of a Commission on Governmental Operations.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of Congress to promote economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government by—

(1) recommending methods and procedures for reducing expenditures to the lowest amount consistent with the efficient performance of essential services, activities, and functions;

(2) eliminating duplication and overlapping of services, activities, and functions;

(3) consolidating services, activities, and functions of a similar nature;

(4) abolishing services, activities, and functions not necessary to the efficient conduct of government;

(5) eliminating nonessential services, functions, and activities which are competitive with private enterprise;

(6) defining responsibilities of officials; and

(7) relocating agencies now responsible directly to the President in departments or other agencies.

ESTABLISHMENT OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH

SEC. 2. (a) For the purpose of carrying out the policy set forth in section 1 of this act, there is hereby established a commission to be known as the Commission on Governmental Operations (in this act referred to as the "Commission").

(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) Number and appointment: The Commission shall be composed of 12 members as follows:

(1) Four appointed by the President of the United States, two from the executive branch of the Government and two from private life;

(2) Four appointed by the President of the Senate, two from the Senate and two from private life; and

(3) Four appointed by the Speaker of the House of Representatives, two from the House of Representatives and two from private life.

(b) Political affiliation: Of each class of two members appointed in subsection (a), not more than one member shall be from each of the two major political parties.

(c) Vacancies: Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a Chairman and a Vice Chairman from among its members.

QUORUM

SEC. 5. Seven members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6. (a) Members of Congress: Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) Members from the executive branch: The members of the Commission who are in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) Members from private life: The members from private life shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 7. (a) The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, in accordanace with the provisions of the civil-service laws and the Classification Act of 1949, as amended.

(b) The Commission may procure, without regard to the civil-service laws and the classification laws, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

EXPENSES OF THE COMMISSION

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this act.

DUTIES OF THE COMMISSION

SEC. 9. (a) Investigation: The Commission shall study and investigate the present organization and methods of operation of all departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government to determine what changes therein are necessary in their opinion to accomplish the purposes set forth in section 1 of this act.

(b) Report: The Commission shall submit interim reports at such time, or times, as the Commission deems necessary, shall submit a comprehensive report of its activities and the results of its studies to the Congress on or before December 31, 1954, and shall submit its final report not later than May 31, 1955, at which date the Commission shall cease to exist. The final report of the Commission may propose such constitutional amendments, legislative enactments and administrative actions as in its judgment are necessary to carry out its recommendations.

POWERS OF THE COMMISSION

SEC. 10. (a) Hearings and sessions: The Commission, or any member thereof, may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such member may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(b) Obtaining official data: The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this act; and each such department, bureau, agency, board, commis-

sion, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

Mr. BROWN of Ohio. Mr. Speaker, I offer an amendment.

The Clerk read the bill as follows:

Amendment offered by Mr. BROWN of Ohio: Strike out all after the enacting clause and insert the provisions of the bill H. R. 992, as amended.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

By unanimous consent, the proceedings whereby the bill H. R. 992 was passed were vacated, and the bill was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CREATION OF SMALL BUSINESS ADMINISTRATION

Mr. BROWN of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution (H. Res. 265) providing for the consideration of H. R. 5141, a bill to create the Small Business Administration and to preserve small business institutions and free, competitive enterprise, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5141) to create the Small Business Administration and to preserve small business institutions and free, competitive enterprise, and all points of order against such bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without the intervention of any point of order the substitute amendment recommended by the Committee on Banking and Currency now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BROWN of Ohio. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH] and I now yield myself such time as I may consume.

Mr. Speaker, this resolution, House Resolution 265, makes in order the bill, H. R. 5141, which was reported by the Committee on Banking and Currency. It provides for 2 hours of general debate and waives points of order. This bill is for the purpose of creating a Small Business Administration and to preserve small-business institutions and free, competitive enterprise.

Mr. Speaker, I have no request for time.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, both the majority and minority members of the Committee on Banking and Currency concurred in asking for this rule. However, the bill itself, and I have no objection to the rule——

Mr. BROWN of Ohio. Mr. Speaker, I move the previous question.

Mr. SMITH of Virginia. Just a moment, I wish the gentleman would not take me off my feet so quickly.

Mr. BROWN of Ohio. I understood the gentleman had concluded. I apologize to the gentleman from Virginia.

Mr. SMITH of Virginia. I accept the apology. I know the gentleman is in a hurry and that was the subject I was coming to right now. We sometimes do things around here in a hurry when, perhaps, we ought to give them a little more careful consideration.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. BROWN of Ohio. There have been times here when we have given so much consideration to certain legislation that we have not acted wisely and well, and perhaps at times if we had acted on our first impulses, we might have enacted better legislation.

Mr. SMITH of Virginia. I have never found that to be a good rule, but perhaps the gentleman from Ohio has.

Mr. BROWN of Ohio. The gentleman from Virginia, being a banker, I know is very conservative.

Mr. SMITH of Virginia. Mr. Speaker, what I want to say about this bill is that I do think it is a matter of considerable importance, and needs some quite careful consideration. I am in favor of the principle of the bill. I think it is not wise to handle it as rapidly, and I might say as carelessly, as we are about to handle it this afternoon. For instance, let us take the bill itself. I call your attention to this provision. I do not know whether the gentleman from Ohio has explained to you what this bill is for. This is a bill to create a little RFC for small business. It says "small business." It provides in the bill what a small business is. I am just wondering whether the Congress wants to pass it with this definition contained in the bill without at least some discussion that might point the way to the administrator who is going to administer the act as to just what is meant by small business. Lok at the vagueness of this language in section 3. "For the purposes of this act, a small business concern shall be deemed to be one which is independently owned and operated and which is not dominant in its field of operation.

I just wonder what that language means. Who can they loan money to? Who are to be denied the use of these facilities? That is just one thing.

Another example is the provision in the bill which says that nobody can borrow any money from this Agency unless they have been turned down by a bank. I wonder what that means. Does that mean that we are opening the door for a whole parade of unsound loans?

I said in the Rules Committee yesterday that this sounded to me a good deal like a Fair Deal bill. It looks like we are going to spread this money around to anybody who cannot borrow it anywhere else. That is a very eleemosynary sort of institution you are creating. I just wonder whether you intend to go as far as the implications of this bill would seem to indicate. Certainly, if a loan cannot be made at a commercial bank and all the bankers in an area say, "No. It is no good. Therefore, we won't loan it to you," I wonder whether it is good sound business for the Government to make this kind of loan.

I do not care to go into any further discussion of it at this time. I yield back the remainder of my time.

Mr. GREEN. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. BROWN of Ohio. Will the gentleman withdraw his point of order until after the adoption of the rule?

Mr. PATMAN. Mr. Speaker, the gentleman has just advised me that members of his delegation have left, thinking that this matter would not come up today. Of course, it was on the whip notice, but the proceedings have been delayed so long that they thought it would not come up, and they were supposed to be notified. The only way he knows to notify them—and I am in the same position—is to have a point of no quorum. Tomorrow is Friday and we will have all day for the discussion of this matter. I do not think it is a good time to bring it up, and I hope the leadership will not bring it up at 4:15 in the afternoon. There will be a great many amendments. The bill is entitled to more consideration. I think it is belittling to the bill to bring it up at this hour.

Mr. BROWN of Ohio. The question is on the point of order, but having made the motion previous to that, I was asking the gentleman whether he had any objection to adopting the rule first.

Mr. PATMAN. Would the gentleman be willing to put the bill over after the rule is adopted?

Mr. BROWN of Ohio. I am asking the gentleman who made the point of order first, if there is any objection to the adoption of the rule.

Mr. GREEN. No. I do not have any objection to the adoption of the rule, although I would like to have it held over until next week.

13. CREDIT UNION. The Banking and Currency Committee ordered reported (but did not actually report) S. 1665, to amend the Federal Credit Union Act relating to the declaration of dividends to members (p. D527).

ITEMS IN APPENDIX

14. FOREIGN TRADE. Rep. Secrest inserted an address by O. R. Strackbein, Council on Foreign Trade Policy, stating that tariff protection is necessary for the smaller industrial and agricultural sectors of the country which cannot attain the advantages of mass production (pp. A3482-83).

Extension of remarks by Rep. Patterson on the need to protect our domestic industries from foreign competition, and inserting a newspaper editorial urging this protection for the watch, clock and pin industry (p. A3490).

15. ELECTRIFICATION. Rep. Cole inserted a Wall Street Journal editorial claiming that public power proponents are attempting to monopolize the power field by trying to prevent the use of atomic energy by private enterprise (pp. A3482-83).

Rep. Ostertag inserted a Rochester Democrat editorial opposing Government development of Niagara River power (p. A3484).

Rep. Horan inserted Drew Pearson's article, "Power Lobby Scores Major Coup," and Secretary McKay's letter to Mr. Pearson taking issue with this article (pp. A3494-95).

16. ORGANIZATION. Extension of remarks by Rep. Brown in favor of H.R. 992, to establish a Commission on Organization of the Executive Branch (pp. A3484-85).

17. ST. LAWRENCE SEAWAY. Rep. Van Zandt inserted a Pottsville Journal editorial urging that the U. S. let Canada build this project (pp. A3485-86).

18. CONSERVATION. Extension of remarks by Rep. Johnson (Calif.) on the life of Theodore Roosevelt, including his founding of the conservation program (p. A3492).

19. APPROPRIATIONS. Rep. Jonas inserted a Charlotte News editorial urging the adoption of a single-package appropriation bill as proposed by Sen. Byrd (pp. A3503-04).

20. MARGARINE. Rep. Rivers inserted a statement by S. F. Riepma, National Association of Margarine Manufacturers, claiming that this Department's sale and give-away of butter to the Army and school lunch program is a subsidy of butter by the Government at the expense of the taxpayer and margarine (p. 3506).

BILLS INTRODUCED

21. PERSONNEL. H.R. 5630, by Rep. Wheeler, to provide an additional method for computing certain benefits payable under the Federal Employees' Compensation Act to persons who continue their employment after sustaining injury; to Education and Labor Committee (p. 6487).

22. WOOL. H.R. 5638, by Rep. Stringfellow, to amend the Tariff Act of 1930, to encourage the domestic production of wool as a critical and strategic defense material; to Ways and Means Committee (p. 6487).

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COMMITTEE HEARINGS ANNOUNCEMENTS FOR JUNE 10: Prohibit blending unfit imported wheat with domestic wheat, S. Judiciary. Trade agreements extension, H. Rules.

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and business. The Government could say where an industry should be located; in fact, whether an industry could operate, what it should make and how it should make it. It would be within the power of the Federal Government to say what wheel should turn and what light should be lighted. And if anyone thinks that is a farfetched prospect, it would be well to recall that during the recent World War the Government did use its wartime control over electric power to decide what hours certain establishments should do business.

But the chance that an atomic energy monopoly could turn the country into a centrally controlled form of totalitarianism is not the only objection that condemns such a monopoly. The still greater objection lies wholly outside the public versus private power debate. That objection is that a monopoly of atomic energy will retard and perhaps wholly obstruct the development of atomic energy in every field.

No one, not even the best informed scientist or the members of the Atomic Energy Commission, now know what may be the future uses of atomic energy outside the military uses. No one person or no small group of people have the capacity to foresee the uses of atomic energy. And even if they could foresee, a small group could not begin to carry out the experimental work necessary to atomic energy development.

The potential of atomic energy can only be realized if as many people as possible are given a knowledge of atomic energy and are allowed to experiment with it. The more minds that are allowed to bear on atomic energy the more quickly will its possibilities be probed and its uses developed. That is so with any great discovery or invention.

The man who invented the internal-combustion engine could not have foreseen the uses to which it would be put. That inventor certainly had no idea that he had found something which was destined to work a revolution throughout the whole social and economic fabric.

But when men were allowed freely to learn about and experiment with the internal-combustion engine those uses were found. One man put it into a boat and it ran the boat. Another put it into a carriage and it ran the carriage and we had the automobile. Other men saw that if the device was to run a carriage efficiently, it would have to be lighter and so they set about finding lighter metals to use in the engine's construction.

And so it went. One idea stemmed from another and from a combination of those ideas grew more ideas. The process of development of the internal-combustion engine has been going on for a long time. And it is not finished. Probably it never will be.

But none of that would have been possible if men were denied knowledge of the internal-combustion engine. They could not have developed it if knowledge of its principles had been by law confined to a little group. It could only be done if men were free to use it and learn as much about it as they pleased.

It will be just so with atomic energy. If men are encouraged to know about it and to work with it, if the maximum of mental resources are brought to bear on it, the development will follow. If the knowledge of atomic energy is to be confined to a few people, it will remain a kind of horrible museum piece.

The public power zealots are trying to keep out of private hands one possible use of atomic energy.

Should they succeed in that, the chances are that they would retard—perhaps prevent—a development which would find thousands of uses of which their one-track minds cannot be expected even to dream.

Reciprocal Trade Agreements

EXTENSION OF REMARKS
OF
HON. ROBERT T. SECREST
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 9, 1953

Mr. SECREST. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address delivered by O. R. Strackbein, chairman, the National Labor-Management Council on Foreign Trade Policy, at the annual meeting of the Scientific Apparatus Makers Association, White Sulphur Springs, W. Va., May 27, 1953:

The House Committee on Ways and Means during the past week finished more than 3 weeks of public hearings on the Trade Agreements bill that would extend for 1 year the so-called reciprocal trade agreements law, first enacted in 1934.

A degree of controversy has developed over the Simpson bill, on which hearings were held, because of the amendments it would write into the existing law. Opponents of the bill regard these amendments as going too far.

The White House has asked for a simple 1-year extension of the present law and has suggested to Congress a thorough study of our foreign economic problems during that period by a joint commission.

The Simpson bill is an outgrowth of the experience of American industry, agriculture, and labor with the existing law over a 2-year period. The real question at stake is whether domestic interests should have at hand a more effective remedy against injury from import competition than experience has shown the present law to provide. Contrary to some who favor yet lower tariffs and heavier imports, the question is not one of eliminating competition, although this has been done in a very few cases under another law in order to protect our farm price support program.

The division among the proponents and opponents of the Simpson bill is principally one of relative accent on the domestic economy, on the one hand, and on international relations, on the other.

The domestic protectionist interests of today can no longer be identified with the typical protectionists of the McKinley era, even though such identity is often attempted. The big interests of McKinley's time are now found on the side, not of the protectionists but against them, and the explanation is simple. Having spilled over the boundaries of the great domestic market with their vast output, they have become exporters. The steel industry, the big oil companies, electrical-equipment manufacturers, makers of office machinery, automobiles, etc., are among the "trade—not aid" evangelists.

Fifty years ago they or their counterparts were the "greedy interests" of Wall Street. Now they are "on the side of the angels."

In the meantime, smaller industrial and agricultural interests, not measuring their individual output in hundreds of millions or even billions of dollars, as do some of the giants, have often found import competition extremely difficult to meet or even destructive of the domestic market, and therefore have asked for safeguards by way of a tariff or an import quota.

Again, the reason is not far to find. Many of these industries and branches of agriculture, or mines or fisheries, do not and perhaps cannot at any time attain the advantages of mass production. Either their production is vastly scattered, as in livestock, woolgrowing, dairying, or fishing, or the nature of the product has to date eluded the inventive genius that could mechanize production. Or, again, the total demand for the product may not be in sufficient volume to justify mass production unless the total output were merged in one company. Compare the combined dollar sales of the chinaware and glass tableware industries with those of the automotive industry. The ratio is in the nature of 1 to 75.

Nevertheless, despite the smaller size of these industries, they cover the whole country amongst them and in the aggregate represent at least a quarter of our total employment, direct and indirect, or probably five times as many as the number of employees engaged directly and indirectly in providing our exports of $15 billion.

Nor can the smaller size of these industries properly be seized upon as a reason for characterizing them as uneconomic and inefficient and, therefore, fit subjects for elimination by import competition, as is so often proposed by the free-trade zealots and the so-called disinterested export interests. We need these widely diversified smaller industries and branches of agriculture for a rounded and healthy economy. A good forest does not consist of a few big trees that deprive the remainder of sunlight and sustenance. We need trees of many varieties and numerous individual trees. Only in that way do we get a balanced timber supply.

Now, it is true that these diverse smaller industries do not enjoy the advantages of mass production. This fact does reduce their ability to compete with imports produced at lower labor costs. Productivity does not excel foreign producers by a sufficient margin in these industries to offset the lower wages prevailing abroad. Therefore, a measure of protection is desirable if such industries are to hold their own and to contribute to the stability of our economy.

The giant export industries, having changed sides in accordance with their changed interests, now find themselves in company with the cotton and tobacco growers of the Southern States who many years ago had turned to a free-trade policy precisely because they regarded these big interests of the North and East as selfish groups bent upon the impoverization of the South.

These two groups, although now working together, will soon find themselves increasingly in competition with each other for the American dollar in overseas markets. For the time being they have combined to urge the policy of more imports. In doing so they are jointly or concurrently calling upon the diversified smaller industries and agricultural groups previously referred to, to accept more foreign competition so that foreign markets will have more dollars to spend for automobiles, radios, motion picture films, electrical machinery, refrigerators, etc., and more cotton and tobacco.

How long cotton and tobacco growers will find this teamup compatible, remains to be seen.

In the Simpson bill these strange bedfellows find a threat of higher protection of domestic industry; and yet their fears must be exaggerated. They and their arduous supporters among the newspapers, editorialists, columnists, and periodicals, constantly assert that the segments of our economy that are exposed to injurious foreign competition represents only a tiny part of the whole. They do not explain how the partial displacement of such a tiny segment by imports could possibly produce enough dollars in foreign markets to absorb many automobiles, bales of cotton, steel, or anything else.

The agricultural-big business combination just referred to, by its common polarity of interest, indentifies itself with international-

ism. By a somewhat transparent psychological maneuver it also succeeds in identifying itself with the "national" as opposed to merely "local, selfish interests." Because of its great power and its incidental fellowship with import interests it finds many willing pleaders of the cause who easily don the robes of disinterestedness.

Under these circumstances it is not difficult to understand the opposition to the Simpson bill. Although the bill addresses itself almost exclusively to the procedures by which a remedy against past errors in tariff rates may be remedied or future reductions contained within limits of reasonable safety, the bill is attacked as representing a return to the days of Hawley-Smoot and a resurgence of protectionism that would throw consternation into the nations of the free world.

That this is a false assessment of the bill makes no difference. The fact is that in 2 years' time, since the existing escape clause was first enacted, only 25 applications have been made to the Tariff Commission. Total imports of the industries involved amounted to only $137.4 million in 1952, or 1.3 percent of total imports. Of this number a restoration or a partial restoration of the tariff has been made in only two cases. The combined imports of the two industries involved amounted to only 0.02 percent of our total imports in 1952.

At the current rate of action it would require several thousand years to restore the rates to the 1930 or Hawley-Smoot levels, even if the Tariff Commission should act favorably upon all applications. No one is known to seek such a return.

What the giant export industries seek is a denial of a true remedy. They wish above all to hold an artificially expanded foreign market, a bonaza market based upon the prolonged export-paralysis of the other warring nations. By thus insisting upon the permanence of what is in fact but a hard-skinned bubble they deluded themselves and incidentally make it more difficult for the export-dependent nations, such as Britain, Germany, and Japan to recapture their prewar overseas markets which fell into our hands. Thus they would delay the restoration of a balanced multilateral trade.

If these new internationalists partisans are really as concerned as they testify, over elimination of the dollar gap, restoration of world trade and solidarity among the free nations, they well know that the road does not lie in compounding the distorted war and postwar trade conditions by seeking to force imports up to the artificial level of exports, which is any case cannot be held without throttling the export opportunities of our free-world allies.

Escape clause applications—Percent of total United States imports represented by imports of articles covered by escape-clause applications

Name of article	1952		Percent of total imports
	Imports for consumption	Total United States imports	
Spring clothespins	$348,000	$10,744,624,000	0.003
Women's fur felt hat bodies	1,185,000	10,744,624,000	.011
Hatters' fur	310,000	10,744,624,000	.003
Jeweled watch and watch movements	61,036,000	10,744,624,000	.568
Motorcycles and parts	5,180,000	10,744,624,000	.048
Blue mold cheese	1,257,000	10,744,624,000	.012
Wood screws of iron or steel	878,000	10,744,624,000	.008
Groundfish fillets	22,102,000	10,744,624,000	.205
Garlic	1,752,000	10,744,624,000	.016
Bicycles and parts	7,546,000	10,744,624,000	.070
Glace cherries	78,000	10,744,624,000	.0007
Bonito, canned in oil	3,403,000	10,744,624,000	.032
Tuna and bonito, canned, not in oil	6,878,000	10,744,624,000	.064
Briar tobacco pipes	746,000	10,744,624,000	.007
China tableware	6,026,000	10,744,624,000	.056
Dried figs	655,000	10,744,624,000	.006
Whiting chalk	183,000	10,744,624,000	.001
Woodwind munical instruments	2,289,000	10,744,624,000	.021
Cords and twines	3,058,000	10,744,624,000	.028
Cotton carding machinery	[1] 501,000	10,744,624,000	.005
Screen painted silk scarves	9,298,000	10,744,624,000	.086
Rosaries, chaplets, etc	294,000	10,744,624,000	.003
Watch bracelets, other than gold or platinum	[1] 600,000	10,744,624,000	.006
Mustard seeds	2,564,000	10,744,624,000	.024
Manicure nippers	363,000	10,744,624,000	.003
Scissors and shears	1,175,000	10,744,624,000	.011
Total	139,705,000		1,301
Applications which resulted in partial restoration of duties under the escape clause:			
Women's fur felt hat bodies (decided before 1951)	1,185,000	10,744,624,000	.011
Briar tobacco pipes	746,000	10,744,624,000	.007
Dried figs	655,000	10,744,624,000	.006
Total	2,586,000		.024

[1] Estimated.

undesirable incursion of Government into an area where private industry stands ready, willing and able to do the job.

The editorial follows:

POWER ISSUE UNCHANGED

The change of tactics in the battle for Government development of more power at Niagara ought not to be permitted to confuse the issue. Having failed in their campaign to put the Federal Government into Niagara, backers of the project now have worked out a plan with Governor Dewey for State control at this vital power source. Senator LEHMAN and Representative FRANKLIN D. ROOSEVELT, JR., are using much the same argument for State development that they used for the Federal project. Governor Dewey is reported in agreement with them. Congress will be asked to act.

So far as we can see, none of the fundamental questions have been changed by merely changing the scene of the battle. The issue is still whether the State should turn its back on the principle of private ownership of power facilities, which has proved successful, and turn to the socialistic principle of Government ownership, Federal or State.

Five private companies, with a record of successful operation, are ready to take over the Niagara development, which is needed to provide additional power for the State's growing industries. Private companies have developed Niagara power since 1895. For 30 years they have had plans on file for further development. They have the experience, the know-how and the funds. In 1950 they paid $136 million in Federal, State, and local taxes, they employed 46,000 people, with annual payrolls of $182 million.

We are not interested primarily in the five companies, which naturally are in business for profit. Their profits, incidentally, are shared by thousands of small stockholders, as well as life insurance companies, savings banks, and other institutions which are permitted to invest only in the soundest securities. Primarily, it is the old principle of private enterprise versus Government control. Where private enterprise is not equipped to take over, there a case may be made for Government development of natural resources. In this case private enterprise is not only ready but has proved its efficiency at the job.

Would Government control mean lower rates for consumers? So the proponents maintain as they point out that there would be no taxes to add to operating costs. But of course this means that taxes now paid by the companies would be shifted to the backs of consumers in other forms, thus canceling out the benefits of lower rates. Under the present system, rates are regulated by the State public service commission. As one guess is as good as another, our guess is that consumers would pay at least as much—in rates plus taxes—under Government control as under private enterprise. And the ultimate moral cost of this further advance of Government into competition with private industry would be incalculable.

The Issue Is Still the Same

EXTENSION OF REMARKS
OF
HON. HAROLD C. OSTERTAG
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1953

Mr. OSTERTAG. Mr. Speaker, under leave to extend my remarks, I include in the RECORD the following editorial from the Rochester (N. Y.) Democrat and Chronicle of June 4 with respect to the development of Niagara power.

With the tide running strongly in favor of private enterprise as the proper instrument for development of this great power resource, proponents of Government power development, at the Federal and State level, are now making common cause, in a determined effort to put Government into one more big socialistic undertaking. Mr. Speaker, whether the Federal Government or the New York State government develops this resource, the issue is the same. It will still be a costly, nontaxpaying, needless and

Commission on Organization of the Executive Branch of the Government

EXTENSION OF REMARKS
OF
HON. CLARENCE J. BROWN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1953

Mr. BROWN of Ohio. Mr. Speaker, it is with great pride and much hope that I urgently request the House to support

this bill—H. R. 992—for the establishment of a Commission on Organization of the Executive Branch of the Government.

You may recall that more than 6 years ago—in January of 1947—I introduced a bill, later unanimously passed by both the House and Senate, for the creation of the original Commission on Organization of the Executive Branch of the Government, which became known as the Hoover Commission in honor of its illustrious chairman, ex-President Herbert Hoover.

The Hoover Commission, along with the task forces set up under it, worked hard and diligently for almost 2 years, and submitted to the Congress some 300 recommendations as to how greater economy and efficiency could be obtained in the conduct of the public business. The majority of these recommendations have been adopted and put into effect, either through administrative order or by act and approval of Congress, resulting in enormous savings to the American people.

The entire cost of the Hoover Commission operation was approximately $2 million. Certainly time has proven that the money spent by the Hoover Commission was a most lucrative investment.

While the major and minor reports and recommendations of the Hoover Commission brought about large savings in Government expenditures, and pointed the way for additional and more far-reaching accomplishments, those of us who served as members of the Hoover Commission were especially aware that greater savings and more important accomplishments could be obtained were such a commission empowered to go into matters of Government policy.

The original Hoover Commission, as you will recall, was authorized only to study Government organization—or more economical and efficient ways for the Government to do that which it was doing. The Commission had no power to pass upon whether Government functions, activities, and policies were wise or unwise, or in the best interests of the country. Of course, it is in this field where the greatest savings in Government expenditures can be made.

As the gentlewoman from Indiana, Mrs. HARDEN, pointed out a few moments ago, we must practice prudent economy first through organization, and then through administration. This must be done if we are to remain strong and are to maintain our way of life without squandering our human and material resources.

The national debt is very close to the legal limit of $275 billion. Our annual budget is not balanced. While our administrative organization has been improved, there is still much to be accomplished.

I am sure you all know the provisions of this bill, and that actually the Commission would serve only as a task force representing the Congress. Under this bill, the Commission's authority would be limited to making studies and investigations upon which it would base suggestions and recommendations to the Congress and its appropriate committees as to how best we could get greater economy and efficiency in the affairs of our Federal Government.

There are those who may believe that such studies and investigations of our governmental affairs should be conducted by congressional committees. The facts are that neither a Member of Congress nor a congressional committee has the time or the resources to do the job that should be done.

A commission, as proposed in H. R. 992, would make studies and investigations which would cross the jurisdictional lines of many committees of the House and Senate, and recommendations submitted to the Congress by the Commission would, of course, be referred to the proper standing committees of the House and Senate for their further consideration and action.

In conclusion, may I point out that the original Hoover Commission was able to obtain the active services of several hundred outstanding Americans in connection with its work. Most of these public-spirited citizens, men of great experience in different walks of life, served without compensation. Many of them even refused to accept reimbursement for the expenses they incurred in serving the cause of good government.

I am also proud and happy to be able to say to you that never once during the deliberations of the Hoover Commission did it divide on any issue or question along partisan lines; neither did such division come between those members of the Commission from public life and those from civilian life.

A similar bill to H. R. 992—S. 106 by Senator FERGUSON, of Michigan—has already unanimously passed the other body.

It is my sincere and considered opinion that this House should not only pass H. R. 992, but pass it by unanimous vote. I am, therefore, asking wholehearted support from both sides of the aisle for this bill.

A Nation of Veterans

EXTENSION OF REMARKS
OF
HON. PETER FRELINGHUYSEN, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 9, 1953

Mr. FRELINGHUYSEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following editorial from the New York Times of June 9, 1953:

A NATION OF VETERANS

Representative PHILLIPS, of California, has made public a staff report pointing the way to practical economies in the politically laden minefield of appropriations for veterans.

The report, prepared for the Appropriations subcommittees, of which Mr. PHILLIPS is chairman, suggests possible savings of $180 million annually in pension payments for disability or death not due to military service. This figure would be achieved not by wiping out such payments but by correlating them with social security and other Government payments, and by making appropriate deductions. As we become increasingly "a nation of veterans," it is becoming daily more obvious that special consideration for veterans as such outside the normal provisions of the social-security system is an anachronism. Veterans who have suffered no disability through military service ought to have no more and no less economic help for illness, injury, or death than any other citizen. We think the overwhelming majority of the 19 million Americans who are veterans (and taxpayers) would be loath to maintain that the Government owes them something because they fulfilled the obligations of citizenship.

It is the program for non-service-connected disabilities that has always seemed to this newspaper to be the weak spot in veterans' appropriations and the place where economies could be effected. But the special study made for the House also suggests that a large number of the minor war-connected disability cases could be weeded out on the grounds that injuries suffered have been so slight that they have not really impaired ability of the veteran to earn a living. The report suggests that as many as a third of these 10 or 20 percent disability cases could be eliminated from the compensation rolls, thus saving another $80 million, and still another $40 million could be saved by tightening up on the entire disability rating system. While no one wishes to see the slightest injustice done to any veteran whose earning powers have truly been lessened by war service, these suggestions are at least deserving of serious attention.

It is to the interest of all of us, including the veterans with genuine service-connected disability, that whatever abuses may have grown out of the veterans programs be eliminated. They can be, if the veterans who comprise such a large proportion of the voting public support the men in Congress who are trying to face up to this problem that so directly affects the Nation's solvency.

Let Canada Build the St. Lawrence Seaway

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 9, 1953

Mr. VAN ZANDT. Mr. Speaker, the following editorial taken from the April 15, 1953, issue of the Pottsville (Pa.) Journal strongly recommends that the American people should let Canada build the St. Lawrence Waterway project rather rather than become victims of a hoax perpetrated by the proponents of this economic monstrosity.

The editorial follows:

LET CANADA DO IT

Opponents of the proposed St. Lawrence Waterway project which Canada seems intent on projecting alone—if the United States Government won't help—are maintaining that their stand has been justified by recent developments and that proponents of the whole idea have been trying to perpetrate a hoax on the American taxpayers.

Commenting recently, the Buffalo News stated editorially:

"Official confirmation comes from Ottawa that the St. Lawrence Waterway which Canada seems intent on building as its own is not designed as a seaway. Gen. A. G. I. McNaughton, cochairman of the International

Joint Commission, is authority for the statement. Speaking before the House of Commons Foreign Affairs Committee, he said that the bigger ships have a role of their own in ocean trade and were not designed for traversing waterways.

"This realistic view of affairs must come as a disheartening shock to the propaganda agency in Washington which over the years has dwelt upon the certainty of inland service by great oceangoing ships if a St. Lawrence Waterway 27 feet deep were available to them. But take it from General McNaughton, seaway traffic there will be provided by vessels of from 8,000 to 10,000 tons. And he does not expect much from them. The principal commodity moving by this route will be iron ore, he says, heading inland from the new Labrador field; and for this service special vessels are being designed."

The National St. Lawrence Project Conference, which is an organization in opposition to United States participation in the project, states:

"The evidence is indisputable that only about 4 percent of American, privately owned, oceangoing vessels would be able to operate in this channel; less than 20 percent of world tonnage would be able to do so. Vessels now operating in the Great Lakes would not be able to go out into the ocean.

"The 27-foot waterway would permit lake vessels to go on to Montreal, where their ocean-bound cargoes would be transshipped, instead of present United States transshipment ports. Similarly, ocean cargoes destined for the Midwest would be transshipped at Montreal instead of American transshipment ports.

"The Canadian Transport Minister, Lionel Chevrier, has repeatedly said this, in effect. It is the reason Canada wants the waterway and is prepared to pay for it, if let alone.

"Former Secretary of Commerce Sawyer testified that more than 75 percent of the traffic over this waterway would be in lake-type vessels, meaning vessels that would operate to Montreal and other Quebec ports.

"It is a deeper waterway to Montreal and other Quebec ports, to the advantage of these ports and the disadvantage of American ports that is being proposed, not a seaway as the proponents mislabel it. It would not add to this country's national defense; it would not benefit the Midwest.

"It would tend to scuttle the Mississippi waterway system and the New York State barge system, upon which American taxpayers have spent hundreds of millions of dollars, and the American merchant marine, upon which they have spent more than $16 billion."

From the evidence it would appear that there has been a great deal of misrepresentation on this project by those who have been working hardest in the United States for it. Its real value to the United States should be compared to the harm it would do some parts of our country—along with the huge cost. It's time we put American interests first.

The Taft Address

EXTENSION OF REMARKS
OF
HON. ALBERT H. BOSCH
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 9, 1953

Mr. BOSCH. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Steuben News of June 1953 written by Mr. J. H. Meyer, editor:

THE TAFT ADDRESS
(By J. H. Meyer)

We have always admired Senator ROBERT A. TAFT for his candor which occasionally becomes wholesome bluntness. Sometimes, he may lack a certain quality of political wisdom which distinguishes that politician who is eager to take the popular side on given issues. In the long run, I prefer the Tafts, especially when the Ohioan talks the way he did in Cincinnati the other day, on such issues as the United Nations, Korea, China, et cetera.

Then, when the sniping, lambasting, vilifying gets underway, I go with him all the way.

It was time that someone cleared the muggy atmosphere. At the very least, the Taft address may achieve one thing: to stir up people here and abroad, within the United Nations or on the outside. There has been name calling across the ocean; now we have name calling at home. When the sparks fly, there is action and action we need today.

If all other means fail, TAFT wants to go it alone in Korea. He wants to do it, one way or another, in order to break the long and costly stalemate. Many people wonder what else we can do. After all, much of the mess in the Far East is of our own making. It is not necessary to review the entire sad course of events. We are responsible for the mistakes of Gen. George Marshall; we scuttled Chiang Kai-shek's China; we threw Korea upon her own miserable resources; and then, we started the police action in Korea, dragging our unwilling western allies and the United Nations into it.

Sooner or later, it seems to me, we shall have to go it alone (as we have practically done for all too many months on the battlefields of Korea and in financing that conflict). I am sure Great Britain and the others would not set up too many road blocks, if we made such a decision.

Must we remind the White House that Britain recognizes Communist China; in fact, does business with her? Also: that Sir Winston Churchill might well be willing to give the U. N. seat to Communist China by taking it away from Nationalist China? That Korea will remain divided; that, in fact, any truce in Korea will be only an armistice? That our western allies are sick an dtired of the bloodletting and financial strain of the Korean war; will not forget we started that futile "police action" and will have to finish it—at least take the decisive lead—by arriving at a compromise solution which may well cause some choking and teeth-gnashing at home?

What did the Eisenhower strategists expect when they threw the bombshell of the planned Korea visit into the election campaign? What did the President-elect expect when he flew across the Pacific? As a military man of proven abilities, he will surely take any diplomatic compromise the hard way. That is only logical. But it cannot be helped if we want to end the conflict.

Or, does the Eisenhower administration plan to prolong the bloodletting—even extend it beyond the Yalu or into China proper? I refuse to believe that.

So, what is the solution? In one simple word: A compromise, be it even a bad one.

We have unwilling allies who play "realpolitik"—and who could blame them for that? These very same allies are tired unto death; with their economies shaky and their people worn out from long suffering. International politics must take the simple facts of human behavior into account; many among us do not seem to realize that. There is a limit to human endurance.

The main thing today is that the fighting stops. All else is of secondary importance.

It is tommyrot to claim that NATO is under and within the United Nations. NATO came into existence only when the United Nations proved unable to checkmate Soviet Russia—which, together with her satellites—is a founder-member of the United Nations. The wedge has been driven in long ago; the bitterest foe of the Western World drove it in and hammers it down more every day. And our own allies have forced us to go it alone, more than once, inside the U. N. and out.

For this and for many other reasons, the United Nations will never become an instrument of peace, because there is no "United" Nations and there will never be. When the New York Times claims that TAFT "is striking at the heart of United States policy in the struggle of the democratic world against the Soviet Communist world" by striking "at the United Nations," that august newspaper should be reminded that the democratic world and the Soviet Communist world are members of the same debating society, at the banks of New York's East River and that NATO policy to protect the so-called free world was certainly not initiated in that plushy spot.

If that struggle is so bitter and heartrending—as I admit—then, let us stop the farce with some courageous action: either disband the United Nations or tell the Soviets and their disciples to get out.

The United Nations will never liquidate the Korean war.

If Senator TAFT was anxious to call attention to these truths in his Cincinnati speech; if he wanted to prod our Nation into some good American action—be it even called isolationism by the do-gooders of international persuasion—as far as the hybrid U. N. is concerned, I am for him more than ever before.

New England Plants Busy

EXTENSION OF REMARKS
OF
HON. THURMOND CHATHAM
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, June 9, 1953

Mr. CHATHAM. Mr. Speaker, for some time we have heard in the Halls of Congress and read in the press that New England was withering on the vine on account of lack of employment. It has even been stated that our southern States have grown industrially at the expense of this rock-ribbed coast, and a movement has been set under way to direct the Government to channel defense orders to New England even at higher costs.

It now appears that we have been misinformed, and it seems that an explanation is in order. I attach hereto a dispatch from the New York World-Telegram and Sun of June 6, 1953, quoting a release by the New England Council which says that employment in New England is at an all-time high.

Perhaps a movement should be set afoot to channel defense orders from New England to other parts of the country where employment is not in such a flourishing state and whose spokesmen have not cried so pitifully over an empire which has lost its control over the rest of the country.

The article follows:

NEW ENGLAND PLANTS BUSY

BOSTON, June 6.—New England factories are employing more workers than ever before

17. ADJOURNED until Mon., June 29 (p. 7761). Legislative program for this week, as announced by the majority leader: Mon., excess-profits tax; Tues., VA office in Philippines, post office bill, and Interparliamentary Union; remainder of week, Defense Department appropriation bill; conference reports at any time (pp. 7719-20).

SENATE - June 27

18. REORGANIZATION. Concurred in the House amendment to S. 106, to establish a Commission on Governmental Operations (pp. 7636-7). This bill will now be sent to the President.

19. INTERGOVERNMENTAL RELATIONS. Agreed to the House amendment to S. 1514 with a further amendment (p. 7636). (See item 16 of this Digest for later action.)

20. WHEAT AGREEMENT. Received from this Department a proposed bill to amend the International Wheat Agreement Act of 1949; to Foreign Relations Committee (p. 7630).

21. FARM LOANS. Received from this Department a proposed bill to make permanent the farm-housing loan authorization of the Housing Act of 1949; to Banking and Currency Committee (p. 7630).

22. TEMPORARY APPROPRIATIONS. The Appropriations Committee reported without amendment H. J. Res. 287, making temporary appropriations for the fiscal year 1954 (S. Rept. 474). Sen. Bridges requested immediate consideration, but Sen. Gore objected and asked that the measure go over until today. (p. 7686.) (See item 10 of this Digest for House action on the measure.)

23. ELECTRIFICATION; FERTILIZER. Sen. Morse criticized the administration's electric power policies and inserted a statement by USDA officials on fertilizer (pp. 7686-706).

24. FOREIGN AID. S. 2128, to extend the mutual security program, was made the unfinished business (p. 7675).

25. DROUGHT RELIEF. Sens. Thye, Schoeppel, and Johnson of Tex. spoke on the seriousness of the current drought and asked for Government aid in this connection (pp. 7639-40, 7682-4).

26. ELECTRIFICATION. Sen. Kefauver criticized the Government's electric-power policies, particularly as they affect TVA (pp. 7677-82).

27. LABOR-HEW APPROPRIATION BILL, 1954. The Appropriations Committee ordered reported (but did not actually report) with amendments H. R. 5246. The "Daily Digest" states: "As approved, the bill would provide a total of $2,008,435,761, an increase of $27,729,300 over the House-passed figure of $1,980,706,461." (p.D626.)

28. ARMY CIVIL FUNCTIONS APPROPRIATION BILL, 1954. Passed with amendments this bill, H. R. 5376 (pp. 7641-75). Senate conferees were appointed (p. 7675).

29. ELECTRIFICATION. Sen. Hennings inserted his statement concerning Federal power policy, opposing the House Appropriations Committee's action on this matter and urging adequate funds for water resources and rural electrification (pp. 7637-9).

30. RECESSED until Mon., June 29 (p. 7706).

BILLS INTRODUCED - June 27

31. WATER-FACILITIES LOANS. H. R. 5975, by Rep. Gathings, to extend the Water Facilities Act to the entire U. S.; to Agriculture Committee (p. 7761). Remarks of author (p. 7760).

32. LIVESTOCK. H. R. 5970, by Rep. Albert, to provide for the purchase of canner, cutter, and utility grade cattle; to Agriculture Committee (p. 7761).

33. ALASKA LANDS. S. 2232, by Sen. Butler, Nebr., relating to reservation of public lands in Alaska; to Interior and Insular Affairs Committee(p. 7633).

ITEMS IN APPENDIX

34. WHEAT MARKETING. During debate on H. R. 5451, to amend the wheat marketing quota law, Rep. Hays favored reducing the acreage allotment from 66 to 62 million acres as recommended by this Department (p. A4063).

35. FARM POLICY. During debate on H. R. 5451, Rep. McCarthy criticized the administration's farm policies, claiming the farmers were promised 100% of parity but are getting about 93% (pp. A4063-4).

36. GRAZING LANDS. Rep. Metcalf inserted Bernard DeVoto's recent article criticizing the Chamber of Commerce for furnishing scripts for local radio programs favoring the stockmen's grazing bills (pp. A4069-71).

37. TARIFFS; INTEREST RATES. Rep. Deane inserted Rep. Lantaff's speech blaming the administration for "high interest rates and high tariffs" (pp. A4074-6).

38. TEXTILES. Rep. Lane inserted a National Wool Grower article discussing the battle between synthetic-fiber manufacturers and wool-cotton groups (pp. A4080-1).

39. T. V. A. Rep. Perkins inserted a newspaper editorial defending TVA and deploring administration decisions regarding it (pp. A4082-3).

40. BANKING AND CURRENCY. Rep. Fulter inserted Doris Fleeson's article claiming Mr. Eccles feels that the immediate danger ahead is deflation (pp. A4078-9).
Rep. Hiestand inserted Pres. Shoup's (Holly Sugar Corp.) recent speech favoring "return to sound currency" (pp. A4083-4).

41. GRAZING LANDS. Rep. D'Ewart inserted an Arizona Republic article favoring H. R. 4023, the stockmen's grazing bill (p. A4097).

42. EXPENDITURES; TAXATION. Rep. Steed inserted a Stillwater (Okla.) Chamber of Commerce plan for a balanced budget and tax relief (p. A4105).

43. FORESTRY RESEARCH. Rep. Davis inserted Harris Ellsworth's address urging continued institutional research in forest products (pp. A4108-10).

BILL APPROVED BY THE PRESIDENT

44. EXTENSION SERVICE. S. 1679, to consolidate Extension Service authorizations. Approved June 26, 1953 (Public Law 83, 83rd Cong.).

AMENDMENT OF TRADING WITH THE ENEMY ACT RELATING TO DEBT CLAIMS

Mr. DIRKSEN. Mr. President, I ask unanimous consent that I may proceed for 1 minute.

The VICE PRESIDENT. Without objection, the Senator from Illinois may proceed.

Mr. DIRKSEN. Mr. President, I was very much interested in the statement made a moment ago by the Senator from New Mexico [Mr. CHAVEZ]. At a future time I shall have occasion to elaborate on it.

I may say that the Subcommittee on Investigation of the Trading With the Enemy Act, of which I have the honor to be chairman, has done a great deal of spade work; and today I am introducing the first of probably a series of bills dealing with this problem, so that we can diminish the number of claims.

Mr. President, rather than take more time of the Senate at this point, I introduce, for appropriate reference, the bill to which I have referred; and I ask that it be printed in the RECORD, together with a statement by way of an explanation of the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 2231) to amend the Trading With the Enemy Act relating to debt claims, introduced by Mr. DIRKSEN, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the second sentence of subsection (a) of section 34 of the Trading With the Enemy Act of 1917 as amended, is hereby amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "or if it is asserted against any foreign country (including its government or any political subdivision, agency or instrumentality thereof), and is not based upon an obligation within priority categories (1), (2), or (3) specified in subsection (g) of this section, or if it is based upon an obligation expressed or payable in any currency other than currency of the United States or the Philippine Islands."

The statement presented by Mr. DIRKSEN is as follows:

STATEMENT BY SENATOR DIRKSEN

This bill, which proposes the amendment of section 34 of the Trading With the Enemy Act, would have the effect of excluding from the provisions, providing a remedy to certain individual claimants against enemy assets seized by the United States, the following categories of debt claims: (1) those based on obligations asserted against foreign governments, their political subdivisions, agencies, or instrumentalities, except for such claims as are entitled to any of the first three priorities specified in subsection 34 (g) (namely, wage and salary claims not to exceed $600, certain claims in favor of the United States, and claims for services, rents, goods and materials); and (2) those based on foreign currency obligations.

Testimony taken before the subcommittee investigating the Trading With the Enemy Act, of which I am chairman, indicates that these two categories comprise approximately 32,000 of the 42,743 debt claims presently pending with the Office of Alien Property, or about 75 percent of such claims. Hearings by the subcommittee indicate that the ultimate disposition of these claims as hereinbefore set forth under the present law and procedure will require at least 10 additional years.

Elimination of the first category is consistent with the purpose for which section 34 was enacted, namely, the protection of American creditors who may have extended their credit in reliance upon the assets of the debtor in the United States. These claimants should be protected in their claims through the assurance that the assets seized by this Government will adequately cover the value of such claims.

Recognizing the great majority of claims eliminated by my proposed legislation consist of bond claims asserted against the Governments of Germany and Japan and inasmuch as it has alawys been the policy of the United States courts to recognize sovereign immunity from suit, it is clear that when these claimants purchased their bonds they did not rely on assets of these foreign governments located within the United States for security of their investments. Of the 11,000 claims in this category, there are 4,794 debt claims in the face amount of $159 million filed against the Japanese Government and there is available for their payment before deduction of administrative expenses of the Office of Alien Property only $1,563,000 with respect to claims filed against German assets in this category. There are 3,443 claims in the face amount of $670 million filed against assets of only $1,500,000. Patently these claimants can hope to be paid at best only an infinitesimal fraction of their claims.

The Government of the United States under these circumstances should not be put to the administrative burden and expense of processing such claims and the War Claims Commission charged with the payment to ex-prisoners of war and other claimants under the jurisdiction of the War Claims Act should not be deprived of the revenues which would otherwise be required to be devoted to the purposes eliminated by this bill.

With respect to the second category of claims covered by the proposed amendment, testimony before the subcommittee indicates that there are now pending more than 21,000 debt claims based on obligations expressed in foreign currencies. Such claims amount to approximately 50 percent of the workload in the debt claims category in the Office of Alien Property.

This category of claims arises principally as the result of yen certificates of deposits (principally American citizens of Japanese ancestry or Japanese residents of the United States), who purchased for United States dollars certificates of deposit from Japanese branch banks in the United States which provide on their face value for payment in yen in Japan. Moreover, it appears that these certificates may be cashed today at their full yen value in Japan and that a number of depositors have so done.

The United States is not under any moral obligation to permit external enemy assets seized by the United States to be utilized for the payment of claims of persons who not only invested their money in a foreign economy but expressly agreed to be paid in a foreign currency in a foreign country.

This legislation is the first of a series of steps to be taken as a result of investigations conducted by the subcommittee investigating the Office of Alien Property designed to eliminate the functions of that Office as speedily as possible in conjunction with the policy of the President to remove the Government of the United States from private enterprises and from dealings with individuals' private property.

Mr. DIRKSEN. Mr. President, I simply wish to add that probably it is not too well known to the Members of Congress that there has been a complete change of philosophy in dealing with enemy property, as distinguished from the procedures in World War I and World War II. We have unearthed some rather interesting information in connection with that reorientation of viewpoint; and, as time passes, I shall deal with it and shall also deal with the entire problem.

Mr. CHAVEZ. Mr. President, I am sure the Senator from Illinois and his subcommittee will do that. I referred to that matter in the last part of my statement. The committee probably has much more information than does any individual Member of the Senate.

I still insist that proposed legislation of some type should be passed as soon as possible, so that the friendly country of West Germany may be maintained as such, and so that the friendly people of that country may at least receive the property which belongs to them.

Mr. DIRKSEN. Mr. President, I concur in that statement.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 85) to participate in Fourth of July 1953 observance at Independence Hall, Philadelphia, Pa., was referred to the Committee on the Judiciary, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress of the United States shall participate in the Fourth of July 1953 commemorative observance of the adoption of the Declaration of Independence at Independence Hall, Philadelphia, Pa., and the rededication of the Nation to the principles upon which the United States was founded.

There is authorized to attend and participate on behalf of the Congress of the United States a Member from each State in the Senate and the House of Representatives, such Members to be selected by the President of the Senate and the Speaker of the House, respectively. The necessary travel expenses of any Member of Congress incidental to the performance of duties and responsibilities hereunder shall be paid out of the contingent fund of the particular House of Congress of which such Member is a Member.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. TAFT:

Radio address entitled "Justice for Poland," delivered by him on March 1, 1953.

By Mr. CORDON:

Editorial entitled "Book Burning Issue," published in the Washington Daily News of June 27, 1953.

By Mr. KEFAUVER:

Article entitled "Nashville's Adopted Son," written by Dr. George S. Reuter, Jr., in tribute to his uncle, Dr. Edward Byron Reuter.

By Mr. SMATHERS:

Editorial entitled "Preparing for Public Service Careers," from the Tallahassee Democrat, of May 14, 1953.

Article entitled "Red Beachhead in Guatemala Causes Alarm," written by Ben F. Meyer, bureau chief of the Associated Press in Habana, Cuba.

Article entitled "Chips Are Down for United States Capital in Latin America," written by Charles Fernandez and published in a recent edition of the Miami Herald.

COMMISSION ON INTERGOVERNMENTAL RELATIONS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1514) to establish a Commission on Intergovernmental Relations which was to strike out all after the enacting clause and insert:

That—

DECLARATION OF PURPOSE

SECTION 1. Because any existing confusion and wasteful duplication of functions and administration pose a threat to the objectives of programs of the Federal Government shared in by the States, including their political subdivisions, because the activity of the Federal Government has been extended into many fields which, under our constitutional system, may be the primary interest and obligation of the several States and the subdivisions thereof, and because of the resulting complexity to intergovernmental relations, it is necessary to study the proper role of the Federal Government in relation to the States and their political subdivisions, with respect to such fields, to the end that these relations may be clearly defined and the functions concerned may be allocated to their proper jurisdiction. It is further necessary that intergovernmental fiscal relations be so adjusted that each level of government discharges the functions which belong within its jurisdiction in a sound and effective manner.

COMMISSION ON INTERGOVERNMENTAL RELATIONS

SEC. 2. (a) For the purpose of carrying out this act there is hereby established a commission to be known as the Commission on Intergovernmental Relations, hereinafter referred to as the "Commission."

(b) The Commission shall be composed of 25 members, as follows:

(1) Fifteen members appointed by the President of the United States, from among whom the President shall designate the Chairman and the Vice Chairman of the Commission: *Provided,* That 9 members shall be from the majority party, and 6 members shall be from the minority party;

(2) Five members appointed by the President of the Senate, 3 from the majority party, and 2 from the minority party; and

(3) Five members appointed by the Speaker of the House of Representatives, 3 from the majority party, and 2 from the minority party.

(c) Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(d) Thirteen members of the Commission shall constitute a quorum, but a lesser number may conduct hearings.

(e) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

DUTIES OF THE COMMISSION

SEC. 3. (a) The Commission shall carry out the purposes of section 1 hereof.

(b) The Commission shall study and investigate all of the present activities in which Federal aid is extended to State and local governments, the interrelationships of the financing of this aid, and the sources of the financing of governmental programs. The Commission shall determine and report whether there is justification for Federal aid in the various fields in which Federal aid is extended; whether there are other fields in which Federal aid should be extended; whether Federal control with respect to these activities should be limited, and, if so, to what extent; whether Federal aid should be limited to cases of need; and all other matters incident to such Federal aid, including the ability of the Federal Government and the States to finance activities of this nature.

(c) The Commission, not later than March 1, 1954, shall submit to the President for transmittal to the Congress its final report, including recommendations for legislative action; and the Commission may also from time to time make to the President such earlier reports as the President may request or as the Commission deems appropriate.

HEARINGS; OBTAINING INFORMATION

SEC. 4. (a) The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as the Commission or such subcommittee or member may deem advisable. Subpenas may be issued under the signature of the Chairman of the Commission, of such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 to 104, inclusive, of the Revised Statutes (U. S. C., title 2, secs. 192–194), shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

(b) The Commission is authorized to secure from any department, agency, or independent instrumentality of the executive branch of the Government any information it deems necessary to carry out its functions under this act; and each such department, agency, and instrumentality is authorized and directed to furnish such information to the Commission, upon request made by the Chairman or by the Vice Chairman when acting as Chairman.

APPROPRIATIONS, EXPENSES, AND PERSONNEL

SEC. 5. (a) There are hereby authorized to be appropriated such amounts as may be necessary to carry out the provisions of this act.

(b) Each member of the Commission shall receive $50 per diem when engaged in the performance of duties vested in the Commission, except that no compensation shall be paid by the United States, by reason of service as a member, to any member who is receiving other compensation from the Federal Government, or to any member who is receiving compensation from any State or local government.

(c) Each member of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by him in the performance of duties vested in the Commission.

(d) The Commission may appoint and fix the compensation of such employees as it deems advisable without regard to the provisions of the civil-service laws and the Classification Act of 1949, as amended.

(e) The Commission may procure, without regard to the civil-service laws and the classification laws, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

(f) Without regard to the civil-service and classifications laws, the Commission may appoint and fix the compensation of a Director not exceeding $15,000, who shall perform such duties as the Commission shall prescribe.

TERMINATION OF THE COMMISSION

SEC. 6. Six months after the transmittal to the Congress of the final report provided for in section 3 of this act, the Commission shall cease to exist.

Mrs. SMITH of Maine. Mr. President, Senate bill 1514 was sponsored by the Senator from Ohio [Mr. TAFT], who I understand has an amendment to the House amendment which is agreeable to the committee.

Mr. TAFT. Mr. President, a number of minor amendments were made by the House to the bill dealing with intergovernmental relationship, most of which amendments are unimportant and entirely acceptable.

However, 1 amendment was made by the House which provided that of the 15 members appointed by the President 9 should be Republicans and 6 Democrats. That is a rather unusual provision. While we do not object to the general theory of a bipartisan Commission, the customary wording is a little different. What I propose is that the Senate accept the House amendment with an amendment which I understand will be acceptable to the House leadership, reading as follows:

Provided, That not more than nine of the members appointed by the President shall be members of the same political party.

Some of the 6 who are appointed may be independent, or some of the 9 may be independent, so far as that is concerned. A great many men who are well qualified are, in fact, independent. One of the men who was appointed, and who happens to be the mayor of a city, has always run as an Independent.

As I understand, the proposed amendment to the House amendment is satisfactory to the House leadership. I therefore move that the Senate concur in the amendment of the House of Representatives with the amendment which I have described, which I understand the House will probably accept without sending it to conference.

The VICE PRESIDENT. The amendment offered by the Senator from Ohio [Mr. TAFT] to the House amendment will be stated.

The CHIEF CLERK. In section 2 (b) (1) of the House amendment, it is proposed to amend the proviso to read as follows:

Provided, That not more than nine of the members appointed by the President shall be members of the same political party.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Ohio.

The motion was agreed to.

COMMISSION ON GOVERNMENTAL OPERATIONS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 106) for the establishment of a Commission on Governmental Operations, which was, to

strike out all after the enacting clause and insert:

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of Congress to promote economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch branch of the Government by—

(1) recommending methods and procedures for reducing expenditures to the lowest amount consistent with the efficient performance of essential services, activities, and functions;

(2) eliminating duplication and overlapping of services, activities, and functions;

(3) consolidating services, activities, and functions of a similar nature;

(4) abolishing services, activities, and functions not necessary to the efficient conduct of government;

(5) eliminating nonessential services, functions, and activities which are competitive with private enterprise;

(6) defining responsibilities of officials; and

(7) relocating agencies now responsible directly to the President in departments or other agencies.

ESTABLISHMENT OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH

SEC. 2. (a) For the purpose of carrying out the policy set forth in section 1 of this Act, there is hereby established a commission to be known as the Commission on Organization of the Executive Branch of the Government (in this act referred to as the "Commission").

(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

MEMBERSHIP OF THE COMMISSION

SEC. 3 (a) Number and appointment: The Commission shall be composed of 12 members as follows:

(1) Four appointed by the President of the United States, two from the executive branch of the Government and two from private life;

(2) Four appointed by the President of the Senate, two from the Senate and two from private life; and

(3) Four appointed by the Speaker of the House of Representatives, two from the House of Representatives and two from private life.

(b) Vacancies: Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a Chairman and a vice chairman from among its members.

QUORUM

SEC. 5. Seven members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6 (a) Members of Congress: Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) Members from the executive branch: The members of the Commission who are in executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) Members from private life: The members from private life shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 7. (a) The Commission shall have power to apopint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil service laws and the classification act of 1949, as amended.

(b) The Commission may procure, without regard to the civil-service laws and the classification laws, temporary and intermitten services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

EXPENSES OF THE COMMISSION

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this act.

DUTIES OF THE COMMISSION

SEC. 9. (a) Investigation: The Commission shall study and investigate the present organization and methods of operation of all departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the Government except the judiciary and the Congress of the United States to determine what changes therein are necessary in their opinion to accomplish the purposes set forth in section 1 of this act.

(b) Report: The Commission shall submit interim reports at such time, or times, as the Commission deems necessary, shall submit a comprehensive report of its activities and the results of its studies to the Congress on or before December 31, 1954, and shall submit its final report not later than May 31, 1955, at which date the Commission shall cease to exist. The final report of the Commission may propose such constitutional amendments, legislative enactments, and administrative actions as in its judgment are necessary to carry out its recommendations.

POWERS OF THE COMMISSION

SEC. 10. (a) Hearings and sessions: The Commission, or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this act, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Commission or such subcommittee or member may deem advisable. Subpenas may be issued under the signature of the Chairman of the Commission, of such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 to 104, inclusive, of the Revised Statutes (U. S. C., title 2, secs. 192–194), shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

(b) Obtaining official data: The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of this act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

Mrs. SMITH of Maine. I move that the Senate concur in the House amendment.

The motion was agreed to.

FEDERAL POWER POLICY

Mr. HENNINGS. Mr. President, I had prepared a statement concerning Federal power policy, particularly the question of the Southwestern Power Administration, which I had planned to make in connection during the consideration of the Interior Department appropriation bill. Since I was detained in my office and did not have the opportunity to make the statement yesterday, I ask unanimous consent to insert it at this point in the CONGRESSIONAL RECORD:

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HENNINGS

I note that the report of the House Appropriations Committee on the Interior Department appropriation bill, H. R. 4828, calls for the junking of our country's Federal power policy and for substituting therefor a policy of its own which it chooses to call the Hoover Dam policy.

I also note that the report of the Senate Appropriations Committee on the Interior Department appropriation bill contains no language similar to that of the House report, and I congratulate the distinguished chairman and members of that committee upon their apparent unwillingness to go along with the House committee language. Let me read you the language to which I refer. I quote from page 2 of the House committee report:

"The Interior Department should be concerned with only those functions or activities which private enterprise cannot or will not undertake. * * *

"With respect to construction activities, essential and completely justified projects in the construction stage shall be carried to completion to avoid waste of Federal funds, but wherever possible, private enterprise shall be taken into partnership to build, own, and operate that part of each project that can be handled by private ownership. * * * In all future projects or new starts which include transmission lines, private enterprise shall be urged to take the initiative in constructing, owning, and operating such works before money is made available for Federal construction.

"The committee recognizes that this policy cannot be put fully into operation in the fiscal year 1954, but all interested parties are urged to keep this policy in mind and to plan accordingly.

"A careful review of the committee's actions on this bill will clearly indicate its adherence to the policy it has adopted."

I also note this language on page 12 of the House committee report, under the topic heading Policy on Power Production:

"The committee believes that the Hoover (Boulder) Dam is an outstanding example of how Government and private enterprise can work hand-in-hand to mutual advantage. Here the dam, with penstocks, was built from Federal funds. The surplus power * * * was, as provided by law, leased to private utility companies and municipalities which financed and built the transmission facilities. * * *

"Unquestionably in many additional cases, similar arrangements to those existing at Hoover Dam could be negotiated. Encouragement should be lent to such possibilities, with firm obligations undertaken, of course, to protect the power-consuming public."

In the first place, I would like to think that the House committee did not consider the full import of its actions and statements. It is the function of the Appropriations Committee of the House, as of the Senate, to appropriate funds for the carrying out of policies established by the whole Congress after thorough hearings by other committees charged with that responsibility. Our Federal power policies have been evolved by the Congress over a period of almost 50 years, and no major change has ever been made, so far as I know, without extensive hearings by committees charged with responsibility for basic legislation. For the House Appropriations Committee to overturn these long established policies through the appropriations channel and without full hearings is unsound. Such practice would soon usurp the functions of all other committees.

SPA CONTINUING FUND KILLED

A careful review of the House committee's actions on this bill clearly indicate its adherence to what it calls the Hoover Dam policy. The Hoover Dam policy would mean the end of transmission lines—self-liquidating transmission lines necessary to deliver the Federal power to load centers where it can be purchased by preference customers, including municipally owned systems, power districts, rural electric cooperatives, and commercial power companies. The Hoover Dam policy would mean bus bar sale of the Federal power at the dams. It is true that in the case of Hoover Dam a municipality in California, the city of Los Angeles, was able to build its own line to the dam and purchase part of the power, but the multipurpose projects are usually located in rugged, isolated areas and, therefore, the relatively small municipally owned systems and the electric cooperatives would not be able to build their own lines to the dams to purchase the power. In any event, that would not be the economical way to transport the power from the dams. It should be done with a few large lines, not a multitude of small ones.

It seems to me the House committe went even further than the Hoover Dam policy and actually tried to prevent the rural electric cooperatives, if not the municipalities, from being able to purchase power from the dams at all.

For instance, the Eisenhower budget requested a so-called continuing fund for the Southwestern Power Administration in the amount of $3,736,000 for the purpose of permitting SPA to carry out power sales and exchange agreements with commercial power companies, municipalities and the farmers' electric cooperatives. SPA, as you know, is the Department of the Interior's power marketing agency covering all or parts of the States of Missouri, Arkansas, Louisiana, Texas, Oklahoma and Kansas. The House committee recommended and the House approved an amount necessary for SPA to carry out its sales and exchange agreements with a few of the commercial power companies but killed that part of the fund necessary for SPA to carry out its sales, exchange and lease agreements with the electric co-ops. Some municipalities would also be affected. The House committee, according to its own report, based its action largely upon a letter dated April 6, 1953, which it received from the power companies. Now it should be noted that this letter was written after the House hearings on the Interior bill had closed on April 2, so that representatives of the rural electric systems were given no opportunity to reply to it—in fact, I understand they didn't even know about it until the House report came out. The House report on page 3 says:

"In a letter dated April 6, the committee was advised by the Chairman of the Executive Committee of the Southwestern Power System that the member companies in that system saw no need for the continuing fund appropriation, and assured the committee that the deletion of such fund would not in any way result in the interruption or curtailment of service to any preference customer or other consumer on their systems."

The House committee report also says:

"In his reply dated April 14, the chairman of the subcommittee advised the member companies of the Southwestern Power System that if the committee took such action, it would be due in part to this commitment made by the member companies in their letter and at the time of their appearance before the subcommittee on March 31, 1953."

I call attention, also, to the fact that the power companies apparently did not indicate to the House committee that they could, by signing any wheeling contracts, obviate the necessity of the SPA agreements with the farmers' electric co-ops. The power companies apparently stated only that the continuing fund was not necessary to supply the power "to any preference customer or other consumer on their systems." But vast areas of Missouri are not on or near their systems. There are several counties in Missouri in which there is not one single commercial power company line of any size or description. There are other counties where, although there are some lines, they might be referred to as fringe lines; they are small and often inadequate for the loads they are presently carrying. The point I am making is that the rural electric systems, either through their local distribution cooperatives or through their generation and transmission cooperatives, have built and are buliding a great many lines through western and southern Missouri to supply themselves with electricity. Some of these are large, 154-kilovolts lines, built down through Missouri into the Missouri-Arkansas Ozarks where they connect with the SPA lines emanating from and connecting with the several multi-purpose dams. Therefore, no wheeling contracts that the commercial power companies might make with SPA could possibly eliminate the need for these co-op lines, already constructed, nor could they do away with the need for that part of the SPA continuing fund necessary for SPA to carry out its contracts with the farmers' cooperatives.

I am gratified with the action of the Senate committee in restoring $1,850,000 of the $3,736,000 Eisenhower budget request for the SPA continuing fund, even though it would be for a period of only 8 months. In other words, the Senate committee is recommending that the $150,000 SPA continuing fund item be raised to $2 million, so that SPA can carry out its power sales, exchange and lease agreements with the farmers' co-ops, for 8 months. I am happy to join with the Senate Appropriations Committee in asking the Senate to approve this item. I regret that the item was for only 8 months.

In this connection, the Senate committee report contains the following language:

"It is the desire of the committee that the Secretary, representatives of the cooperatives, and representatives of the power companies in the area immediately give consideration to making such arrangements that will not require the continued use of the continuing fund. The committee calls attention to the fact that within the last year two contracts have been offered by the power companies in the area. Noting this willingness on the part of the companies to negotiate, the committee urges all interested parties to resume negotiations immediately. With this view in mind the committee has approved the $2 million for the continuing fund for a period of 8 months."

It is my information that with the exception of one company in Texas and two companies in Oklahoma, the power companies have not been very stable in their willingness to negotiate wheeling contracts with SPA. It is also my understanding that several companies which for some time offered to enter into wheeling contracts with SPA, have now broken off negotiations for wheeling contracts and are demanding or have lately demanded that they be sold the Federal power either at the dams or along SPA's existing transmission grid. This would be the Hoover Dam policy.

It is my understanding that the companies are not now willing to enter into wheeling contracts. But whether they are or not, any contracts of any sort which the power companies enter into are not going to solve the problem of the 6 generation and transmission cooperatives in Missouri and Oklahoma which have power supply contracts with SPA. Every one of these generation and transmission cooperatives has its own connection directly with SPA either through Federal transmission lines or through its own transmission lines. In other words, there is no point in the power companies talking about wheeling power to these generation and transmission cooperatives because the G & T's are already connected directly with the Federal Government's lines.

I can appreciate that this whole power supply question is quite involved, especially in the Southwest, and it would be difficult for the House committee to be familiar with all of the details. I sincerely hope that both the House and Senate committees will again consider this matter of the SPA continuing fund as soon as the Congress meets in January and that they will recommend a sufficient supplemental authorization if and as it may be needed to carry out the Government's obligations to the farmers' electric cooperatives.

If SPA's contracts with the farmers' generation and transmission co-ops must be abrogated, as I understand would be the case if this continuing fund is not kept alive, then the Congress would be forcing upon the people of much of Missouri and Oklahoma and parts of Arkanssa and Kansas this same Hoover Dam policy to which I have referred. The people in Missouri, I know, have registered their vigorous protest against such a policy.

The Senate committee in considering the SPA continuing fund may have been concerned about how any action that it took might be interpreted by the United States District Court for the District of Columbia in view of the fact that the 10 power companies of Missouri have had a suit pending since 1950 against certain officials of the Government pertaining to the SPA contracts with the co-ops. The case, among other things, sought (1) to prevent the farmers from borrowing REA funds for the purpose of building generating plants and transmission lines to serve themselves once they had obtained central station service through their electric co-ops or otherwise; and it sought (2) to invalidate the power contracts which the farmers, through their generation and transmission co-ops, had made with SPA.

Public Law 108 - 83d Congress
Chapter 184 - 1st Session
S. 106

AN ACT

For the establishment of a Commission on Governmental Operations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Commission on Organization of the Executive Branch of the Government.

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of Congress to promote economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch of the Government by—

(1) recommending methods and procedures for reducing expenditures to the lowest amount consistent with the efficient performance of essential services, activities, and functions;

(2) eliminating duplication and overlapping of services, activities, and functions;

(3) consolidating services, activities, and functions of a similar nature;

(4) abolishing services, activities, and functions not necessary to the efficient conduct of government;

(5) eliminating nonessential services, functions, and activities which are competitive with private enterprise;

(6) defining responsibilities of officials; and 67 Stat. 142.

(7) relocating agencies now responsible directly to the President in departments or other agencies. 67 Stat. 143.

ESTABLISHMENT OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH

SEC. 2. (a) For the purpose of carrying out the policy set forth in section 1 of this Act, there is hereby established a commission to be known as the Commission on Organization of the Executive Branch of the Government (in this Act referred to as the "Commission").

(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99). 62 Stat. 697, 703, 793.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) NUMBER AND APPOINTMENT.—The Commission shall be composed of twelve members as follows:

(1) Four appointed by the President of the United States, two from the executive branch of the Government and two from private life;

(2) Four appointed by the President of the Senate, two from the Senate and two from private life; and

(3) Four appointed by the Speaker of the House of Representatives, two from the House of Representatives and two from private life.

(b) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a Chairman and a Vice Chairman from among its members.

QUORUM

SEC. 5. Seven members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6. (a) MEMBERS OF CONGRESS.—Members of Congress who are members of the Commission shall serve without compensation in addition to that received for their services as Members of Congress; but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) MEMBERS FROM THE EXECUTIVE BRANCH.—The members of the Commission who are in the executive branch of the Government shall serve without compensation in addition to that received for their services in the executive branch, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(c) MEMBERS FROM PRIVATE LIFE.—The members from private life shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

67 Stat. 143.
67 Stat. 144.

STAFF OF THE COMMISSION

SEC. 7. (a) The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil service laws and the Classification Act of 1949, as amended.

63 Stat. 954.
5 USC 1071 note.

(b) The Commission may procure, without regard to the civil-service laws and the classification laws, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the Act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

5 USC 55a.

EXPENSES OF THE COMMISSION

SEC. 8. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, so much as may be necessary to carry out the provisions of this Act.

DUTIES OF THE COMMISSION

SEC. 9. (a) INVESTIGATION.—The Commission shall study and investigate the present organization and methods of operation of all departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the Government except the Judiciary and the Congress of the United States to determine what changes therein are necessary in their opinion to accomplish the purposes set forth in section 1 of this Act.

(b) REPORT.—The Commission shall submit interim reports at such time, or times, as the Commission deems necessary, shall submit a comprehensive report of its activities and the results of its studies to the Congress on or before December 31, 1954, and shall submit its final report not later than May 31, 1955, at which date the Commission shall

cease to exist. The Final Report of the Commission may propose such constitutional amendments, legislative enactments and administrative actions as in its judgment are necessary to carry out its recommendations.

POWERS OF THE COMMISSION

SEC. 10. (a) HEARINGS AND SESSIONS.—The Commission or, on the authorization of the Commission, any subcommittee or member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Commission or such subcommittee or member may deem advisable. Subpenas may be issued under the signature of the Chairman of the Commission, of such subcommittee, or any duly designated member, and may be served by any person designated by such Chairman or member. The provisions of sections 102 to 104, inclusive, of the Revised Statutes (U. S. C., title 2, secs. 192–194), shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

(b) OBTAINING OFFICIAL DATA.—The Commission is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality information, suggestions, estimates, and statistics for the purpose of this Act; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics directly to the Commission, upon request made by the Chairman or Vice Chairman.

67 Stat. 144.
67 Stat. 145.

Approved July 10, 1953.

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